Business Trend Again Upwards (Page 7)

LARGEST CIRCULATION
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FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS
DEPARTMENT ON
PAGE 16

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The Nation's Business

Government Cuts Rates to Draw Grain to Churchill

Wheat Agreement Promises Little for Canada

U. S. Already Dumps Wheat in Orient

What Canada Should Aim At

Milking Taxpayers To Bonus Bay Route

THE colossal failure of that notorious contractor's racket, the Hudson Bay Railway, was bluntly demonstrated last year when the government had to provide free storage in the Churchill elevator to induce any grain at all to move out over the route.

An equally forcible demonstration of the present uneconomic character of the route has been provided this year. The government announced an intention of charging the regular tolls at the elevator, tolls which were the lowest of those imposed by governmental order at any elevators throughout Canada. No grain was offered for shipment. Even the grain growing interests of Western Canada, who had for two generations advocated the opening of the Bay Route in order to reduce their costs of shipping grain to Europe, refused to ship grain; they knew that the established routes via the Great Lakes and the Pacific Coast were more economical.

Political pressure was brought on the government to repeat the satire of last year when a pretence of success of the route was made. It was finally decided to reduce storage rates at Fort Churchill from the usual figure of almost one cent a month to the ridiculously low figure of one cent for the whole period from now to the end of August next. This had the effect of paying a cash bonus out of the Dominion treasury to those who would store grain at Churchill. Now the elevator has been filled up. On-to-the-Bay enthusiasts can declare that the route is a success. But the taxpayer is paying a heavy bill for this child's play. If Ottawa made the terms attractive enough there would be people willing to load grain in bags and canoe it down the Mackenzie River to the Arctic Ocean and then to fly it over the north pole to continental markets.

* * *

THE country would be infinitely better off and taxation could be reduced if the route were completely abandoned and the expensive attempts to bonus traffic to use it were abandoned.

The Hudson Bay route is not a business enterprise but a hybrid of a white elephant and a political sacred cow. As such it has the "protection" of political leaders of both parties, their eyes cocked to the western vote in the next election.

But the huge losses and the charge for the bonus to favored grain operators who have been paid to use the route are a big item in every tax payment made by every citizen.

* * *

The Dangerous Wheat Agreement

THE aim of the London wheat conference was to find a solution to the major problems. Broadly speaking, these problems are: the excessive world surplus of wheat and the present low price of this commodity.

Publication of the agreement reached has been hailed with considerable praise, almost all Canadian newspapers giving it their support. But what has actually been achieved?

In order to restore some balance to the world situation, the revival of imports of deficiency countries has always been hailed as a prime necessity. Yet a study of the agreement fails to discover that importing countries have done anything further than to agree to halt their encouragement of home production and to attempt to restrict production in such a manner that no hardship will be caused to their own farmers. Of course, there is a vague agreement to modify tariffs and quotas should the international price of wheat rise above a certain level (about 63 gold cents a bushel) and hold this level for a period of four months.

* * *

IMPORTING countries agree that their excessive tariffs and low import quotas are economically unsound, but little is going to be done to change the situation. It is obvious that importing countries are not going to allow themselves to be the ones to suffer in the readjustment process.

In an effort to raise prices, an

(Continued on page 2, col. 3)

Ottawa Again Pays Huge Bonus to Fill Elevator at Churchill

Even Lower Rates Than Elsewhere Failed to Attract Cargo So Flat Rate of One Cent for Winter-Summer Storage is Invoked

SASKATCHEWAN POOL ANNOUNCES LEASE

Official Rates Not Yet Declared by Grain Commissioners But Rate Has Been Fixed at Far Below Reasonable Costs of Operating Elevators at Churchill or Anywhere Else

From Our Own Correspondent

OTTAWA.—The Hudson Bay route has failed in the first year of its operation and only an additional and entirely unjustifiable bonus by the Dominion Government has prevented the route from being closed down this year before half the navigation season had passed.

Even with this bonus, it is expected that only one or two cargoes will leave Churchill in the last 22 days of the 57 days of navigation. Without the bonus, not one bushel of the 1933 crop would have proceeded to Europe via the Bay, and with none stored at the Churchill elevator during the coming winter it is doubtful if a single bushel of grain would have moved out of the port in 1934.

Taxpayer Pays

No more striking proof of the inefficiency of the new transportation route could be offered. Indeed, the Hudson Bay route now stands revealed as one which cannot hope to draw a ton of cargo from the established trade routes of Canada, unless the Dominion Government is prepared to bonus it—which means the Canadian taxpayer in one way or another will have to pay people to ship via Churchill.

The facts concerning the latest breakdown of the route are of particular interest. They reveal the project as hopeless from an economic viewpoint.

Cost Over $50,000,000

The Bay route was built at a cost exceeding $50,000,000. When the Federal railway department under Hon. Charles Dunning had the final construction programme completely mapped out, the Imperial Shipping Committee was requested, in 1928, to negotiate marine insurance rates with the London underwriters. The committee reported in 1930 announcing that a navigation season extending from August 10 to September 30 had been agreed to and that insurance rates of approximately 4 per cent would be granted within this period. A second report in the following year cut the rate to 3½ per cent and upon this basis the Government carried out a small test movement of some 500,000 bushels.

In 1932 a third report granted a rate of 3 per cent, if ships were equipped with a gyro compass—which few, if any, tramp ships carry and are unlikely to carry for the purpose of making one or two trips per year to Churchill. And in 1933 a fourth report extended the navigation season from Sept. 30 to Oct. 7.

Higher Than St. Lawrence

A rate of 3½ per cent is approximately the same as the average rate on the St. Lawrence throughout the navigation season. But the rates are seasonal and whereas a ship can make one or, at most, two trips to Churchill, the same ship could make 12 or more trips to Montreal. The rates, therefore, in actual practice are some six to 12 times higher on the Bay than on the St. Lawrence.

The shipping season of 1932 was the first test of the route. The Government had completed the elevator and was providing free storage. This bonus enabled some 2,700,000 bushels to be exported. The problem of filling the elevator during the winter, so as to have grain ready for export when the 1933 season opened arose late in the fall and after much negotiation with various grain interests, the Government had to grant free storage at Churchill in order to make the new route attractive. This bonus brought 2,500,000 bushels to the port.

The granting of free storage did not occasion much adverse comment for the reason that the port was not yet finished and the usual port charges had not been imposed. But last March the Government, having virtually completed the port, put in the usual port fees and dues. In doing so, the lowest rates prevailing anywhere in the country were taken. Churchill was given every advantage. The grain storage rates at the elevator were fixed at rates lower than at other elevators, or one twenty-fifth cent per day from August 1 to October 15 and one-nineteenth of a cent from October 15 to July 31.

No Cargoes Offered

It developed a few weeks ago, however, that when the 2,500,000 bushels of wheat had been exported, the route would have to close down for lack of cargo. Not an additional bushel of grain was being sent via Churchill. And the reason was that with these port and elevator charges in effect, both the St. Lawrence and the Pacific routes were cheaper. Grain shippers found that it would cost them hard cash to ship via Churchill and, regardless of how ardently they had advocated the completion of the route in the past, they declined to support it with money out of their own pockets.

There was an immediate outcry on the Prairies. The Federal Government urged to intervene on behalf of the route. For two weeks or more the Government declined and in doing so took the position that now that Churchill was completed the northern route must stand on its own feet. The day of subsidies and treasury hand-outs was past. Moreover, it was said by Ottawa that to offer special inducements by way of reduced port or elevator charges at Churchill would be an indefensible discrimination against the other routes.

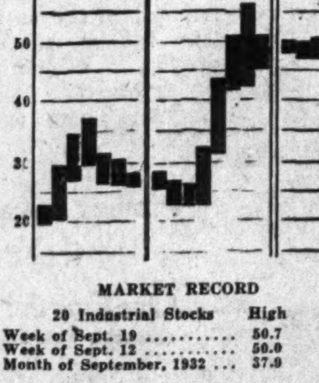
One Cent for Winter

In the end, however, Ottawa capitulated. The Board of Grain Commissioners was requested to approve of lower storage rates at Churchill for the coming winter. The official announcement has not yet been issued, but it is understood that a storage rate of 1 cent per bushel from October 15, 1933, to August 31, 1934, will be fixed. The regular elevator charge, which is imposed everywhere else in the country, is one-forty-fifth of a cent per day. This works out at about 7 cents per bushel from mid-October to August 31. Even the former rate at Churchill came to 4 cents for that period. In effect, therefore, the Dominion Government has by the two orders cut storage rates at Churchill from 7 cents to 1 cent. On 2,500,000 bushels of grain this means a net loss to the treasury of $150,000. On this basis it is believed a shipment of 400,000 bushels of grain, sufficient for one more cargo, will be exported via Churchill this year by the Western wheat pools. And one large grain shipper will probably take up the full storage capacity during the winter months. The Saskatchewan pool announces it has taken the whole elevator. This has not been confirmed by Ottawa.

The fact, however, seems to be that without a direct bonus the route would not attract a dollar's worth of business and the huge investment therein would rapidly become a dead loss.

Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Sept. 19	50.7	47.8
Week of Sept. 12	50.0	47.8
Month of September, 1932	37.9	30.3
10 Public Utilities		
Week of Sept. 19	53	51
Week of Sept. 12	53	52
Month of September, 1932	55	48
8 Bank Stocks		
Week of Sept. 19	183	180
Week of Sept. 12	185	182
Month of September, 1932	182	177

NATIONAL CABINET TO PROMOTE BOOM IS OTTAWA GOSSIP

Dunning Mentioned in Project for Fusion Government

Recent political gossip in Ottawa, linking the name of Hon. Chas. A. Dunning with a plan for a new national government, minus Rt. Hon. R. B. Bennett and Rt. Hon. W. L. M. King, got into print in several papers this week. One of them, the Ottawa Citizen, names Hon. G. Howard Ferguson as the prospective leader.

The Weekly Sun, Toronto, avers that the plan is of Montreal origin, and is designed to bring together some of the leading members of both the Liberal and Conservative parties on the plea of a national emergency, and a united front against the growth of radical sentiment in Canada.

Objectives of the new union group would be, according to the Sun, to find a solution of the railway problem, "satisfactory to private enterprise," to promote borrowing from Great Britain, to stimulate British immigration, and launch a national recovery programme based on the new immigration and the new capital.

GOV'T REVENUE LITTLE BETTER DURING AUGUST

Five Months' Figures Show Worse Deficit Than Last Year

NEW TAXES FUTILE

Customs Duties Drop Heavily — New Excise Taxes Fall Far Short of Budget Hopes

August revenue and expenditures of the Dominion Government showed improvement over figures for the 1932 month. For the first five months of the current fiscal year, however, the Government is still far behind its budget expectations.

An even greater rate of improvement than was evidenced in August will apparently have to occur, if the Dominion deficit is to be kept down to the figures anticipated in the 1933-34 budget. In the five months ended Aug. 31, total expenditures were down $4,000,000, but receipts were down over $6,000,000, in spite of a budget anticipation of increased revenue during the current year of $60,000,000. The decline in expenditures was chiefly due to reduced outlay on unemployment relief. Current expenditures actually showed an increase in August and for the five months, although the Government anticipated cutting these costs by $9,000,000 in the 1933-34 budget.

The Government's estimate of increased revenue at the time the budget was drawn up amounted to $5,000,000 a month. On this basis, revenues should have been $25,000,000 greater in the first five months of the current fiscal year than for last year's period. Actually they are $6,000,000 less. Thus, the Government appears to be worse off this year than last, in spite of raising the income tax, introducing a new sugar tax, removing sales tax exemptions, and imposing various nuisance taxes.

The five months' figures are shown below:

Dominion Government Revenue and Expenditure, April 1 to Aug. 31

Receipts	1933 $ 000's	1932 $ 000's	Change from 1932 $ 000's
Current:			
Customs	24,788	32,389	—7,601
Excise duty	15,418	18,022	—2,604
Excise taxes	35,661	33,066	+2,595
Income tax	44,160	49,233	—5,073
Post office	10,927	11,929	—1,002
Exch., etc.	9,844	2,813	+7,031
Miscel.	7,176	6,573	+603
	147,974	154,025	—6,051
Spec. rcpts.	110	64	+46
Loan a/c rcpts.	198,155	30,000	+168,155
Total rcpts.	346,239	184,089	+162,150
Expenditures:			
Current exp.	151,057	149,656	+1,401
Special exp.	13,139	17,704	—4,565
Capital exp.	6,954	7,831	—877
	171,150	175,191	—4,041
Loans & advs.	29,753	52,063	—22,310
Debt redemp.	83,439	4,190	+79,249
Grand total	284,342	231,444	+52,898

Current receipts show that the customs duty revenue, once the chief item of income of the Dominion has declined heavily this year, which is one of the financial disadvantages of falling imports. Excise duties also show a substantial decline largely because of the cigarette tax cut, reduced consumption of tobacco and smaller imports of liquors.

Excise taxes, which were expected to yield the largest increases in this year's budget, are ahead of last year's for the first time. This long awaited increase was all due to improved August returns. The new sugar and sales taxes were apparently showing results in that month. Income tax collections returned about $700,000 more in August than in the same month last year, but the figure for the five months is still below that of last year. The item, "premium, discount and exchange," showed a substantial rise in the five months, and also in the month of August, but the effect of this is largely offset by an increase in the same item on the expenditure side of the statement.

Revenue Sources Dry Up

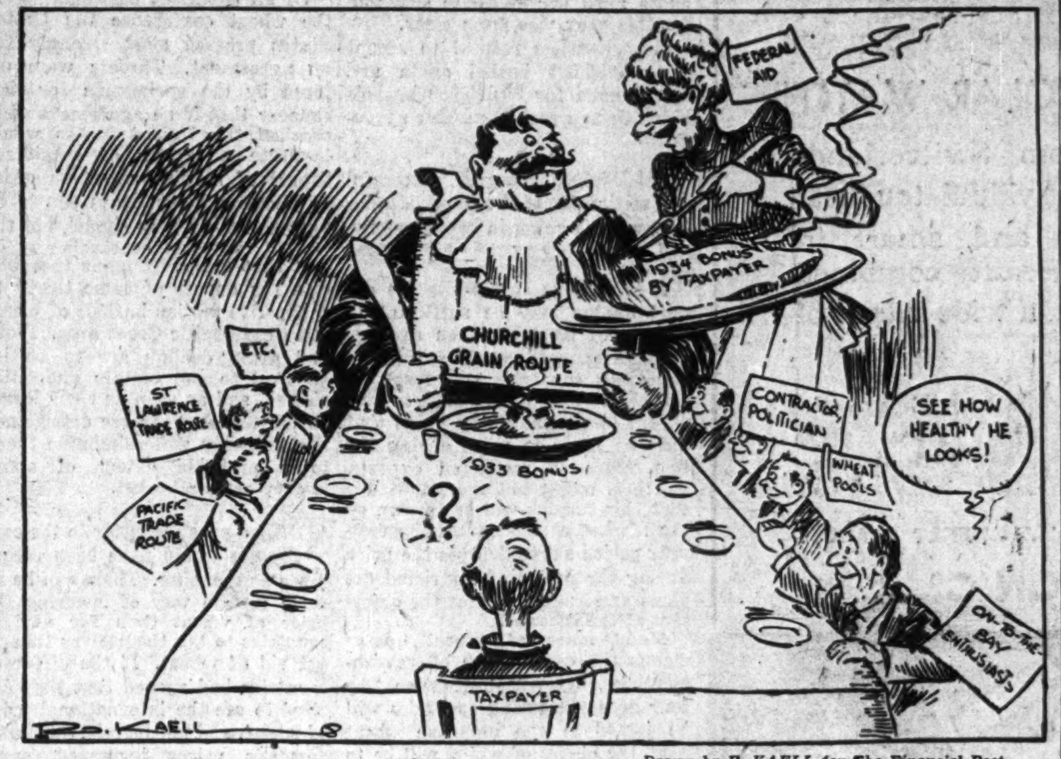
From the five months' figures, it appears that Mr. Bennett's statement of last spring that the limit of taxation has been reached in this country is vindicating itself in dollars and cents.

Those who have been looking for improvement in the government returns received some encouragement from the July figures. This is borne out further by the returns for August which follow:

Dominion Government Revenue and Expenditure in Month of August

Receipts	1933 $ 000's	1932 $ 000's	Change from 1932 $ 000's
Current rev.	28,827	23,943	+4,884
Spec. rcpts.	488	28	+460
Loan a/c rcpts.	87,555	30,000	+57,555
	116,870	53,971	+62,899
Expenditures:			
Current	23,046	21,472	+1,574
Spec. rcpts.	4,392	5,402	—1,010
Cap. exp.	2,271	1,188	+1,083
	29,709	28,062	+1,647
Loans & adv.	1,867	15,589	—13,722
Debt redemp.	71,146	1,110	+70,036
	102,722	44,761	+57,961

Current revenue in August was $4,884,000 higher than in the same month of 1932. Current revenue also rose but only by $1,574,00. The Dominion has gained about $5,000,000 toward overtaking the 1932 figures in the two months of July and August. However, this leaves it far short of improving the results of 1932-33 which resulted in a deficit of $156,000,000, of which $103,000,000 was on account of the C. N. R.



—Drawn by R. KAELL for The Financial Post.

A HEALTHY APPETITE

$700,000 Tax Claim Settled for $100,000 Rumored of Solloway

Following Interviews With Minister of Justice, Mining Broker Said to Have Effected Income Tax Deal

ABANDON CLAIM AGAINST COMPANIES?

From Our Own Correspondent

OTTAWA.—Political interest has been deeply engaged in the past few weeks in an important decision of the Government with respect to the collection of income tax from I. W. C. Solloway, late of the firm of Solloway, Mills & Co., and one of the brokers involved in the historic prosecutions of 1930.

Official information is not available and probably will not be. Under the income tax statute the Government is pledged not to reveal matters which concern taxpayers and it seems very unlikely, therefore, that the public will ever know precisely what has occurred with respect to the dispute between the tax department and Mr. Solloway. But it may be said, with confidence, that Mr. Solloway after several audiences with members of the cabinet, and more particularly with Hon. Hugh Guthrie, minister of justice, that he reached an agreement whereby he paid a stipulated sum of money into the public treasury and received a quit claim so far as the tax on his personal earnings in the boom years was concerned.

Settled for $100,000

It can be said, also, and with equal confidence, that the terms of the settlement, if published, would reveal that the Government agreed to take a very much smaller sum of money than it was thought originally that Mr. Solloway should pay.

It is understood that a claim for over $700,000 against Mr. Solloway personally was settled for $100,000 cash, while claims against the Solloway, Mills companies are not yet dealt with, but may be dropped.

The relations between the income tax branch and Mr. Solloway extend over a considerable period of time and, in part at least, are public or semi-public property. When proceedings were taken against Mr. Solloway and his companies, by the provincial governments, the books of these enterprises were brought into court. Either then, or later, the Government auditors got busy checking up the figures in the books against the income tax returns of the companies and of Mr. Solloway.

Reassessment Made

The upshot was that more than a year ago, the income tax department effected a reassessment against Mr. Solloway, showing that, according to their figures, he had failed to pay his proper amount of taxation—both on personal account and on account of the companies. The amount of the assessment is not known and never will be, but it would not be surprising if it ran in the neighborhood of $1,300,000. The claim against Mr. Solloway, personally, ran to about $700,000. Against the Dominion company it stood at about $385,000; against the Ontario company at $44,000. There were probably other claims.

It is understood that both the companies and Mr. Solloway disputed the reassessment, although the companies took a more aggressive line. At any rate the income department took action against these companies in the Exchequer Court of Canada and obtained a favorable decision. But about that time the companies were thrown into bankruptcy. The Government, of course, could only file its claim along with those of the other creditors and await some final settlement of the assets of these companies. The Government's claim ranked under the War Revenue Act as a preferred claim and is so shown in the statement of the trustee in bankruptcy.

Ottawa Wants to Know

Action against Mr. Solloway, personally, it appears, would have followed as in the case of the companies had it not been for the direct negotiations and the settlement.

The information desired in political circles here concerns the nature of the settlement. All manner of stories are in circulation to the effect that Mr. Solloway succeeded in obtaining exceedingly favorable terms from the Minister of Justice, but unless the Government chooses to lift the veil, the facts cannot be obtained officially.

Prices Recede In Past Month Recover Later

Wholesale prices receded somewhat in August, the compilation of the Dominion Bureau of Statistics, issued this week, reveals. It should be noted, however, that the decline is almost directly caused by a decline in grain prices. In the United States, prices in August continued to advance but in that country agricultural prices do not form such a large part of the total index.

In the past week, prices on all commodity markets have been strong. In Canada, wheat has been the leader and has shown a substantial advance under the effect of dollar depreciation and harvesting difficulties in the Prairies. Foodstuffs and textiles have been quoted higher, the advance in the former being partially seasonal.

			—Change—	
			From prev. period	From prev. year
Monthly:		Aug., 1933	%	%
Price index	No.	69.4	—1.6	+4.0
Bldg. permits	$	1,927,882	—10.8	—49.6
Weekly:*				
Car loadings.	No.	41,027	—10.0	—7.4
Wheat exports.	bu.	3,025,395	—24.4	—24.0
Hog sales	No.	17,545	+27.1	+8.0
Cattle sales	No.	12,327	+13.4	—6.0

*Weeks ended Sept. 9, 8, 14 and 14 respectively.

Bank Evidence Coast to Coast Printed in Post

The Canadian Macmillan Commission on banking has concluded its public hearings. The five members are now sifting the evidence and preparing to write their report.

The Financial Post has given a summary of all of the evidence presented, prepared from a complete stenographic report. No evidence has been excluded.

Presenting this unique summary has involved much effort and expense. It was first necessary to contract with the official stenographer for the evidence, for which a large fee has been paid. It was then necessary to examine this evidence in detail and to summarize so that busy readers would not find the job of reading it too burdensome, and yet to do that without missing any vital point. Between four and five columns a week have been published. A further long installment appears this week. It may be possible to complete the summary in next week's issue.

The Financial Post is the only newspaper in Canada to have presented the Macmillan Commission evidence in this form. All over Canada readers have commented favorably on the service that has been provided.

Highlights of the week

Events and Topics That Make News for Post Readers

Bonus for Churchill

No one wanted to ship grain over the Hudson Bay Railway, so again the government is cutting rates for storage at Churchill. How the taxpayers' money is being used to make a pretence of success of the Bay route is exposed. Page 1.

Protection for Investors

Some of the weaknesses in the new U. S. Securities Act are pointed out so that we may avoid them in Canada. Page 3. And the need for a shareholders' protective body is discussed. Page 11.

Business Trend Up

The Financial Post's monthly index of business conditions in Canada again shows a substantial increase. Page 7.

Keeping Down Taxes

Sage advice to municipalities from a great authority on municipal finance, Thos. A. Bradshaw. Page 8.

General Motors at 25

How General Motors of Canada was born as told by R. S. McLaughlin, president of the company. Page 9.

Canada in Belgium

J. K. Ross-Duggan tells about the buying habits of the Belgians and describes Canadian goods on sale in Antwerp and Brussels shops. Page 9.

Banking Evidence

Another generous installment of The Financial Post's own summary of the official stenographic report of the evidence before the Macmillan Commission. Page 13.

Investment Notes

Fourteen useful items of news for investors in this new and popular weekly department of The Post. Page 5.

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MORE GOODS BEING BOUGHT OVER CANADA

Simpson's Sales Barometer of Rising Buying Power Everywhere

STOCKS KEPT LOW

Buying Orders Greater But Deliveries Staggered—May be Temporary Lull in Manufacturing Activity

Sales of nearly all subsidiaries of Simpsons Ltd., in practically every department and in city and country throughout Canada have shown gratifying though not spectacular increases ever since May 15. No better evidence of reviving purchasing power in Canada during this period could be adduced.

Accounts of next January will show how far the profits of this period are supplemented in the last three months of the year. The Financial Post understands there is good ground to hope that earnings will be high enough to meet bond interest, to restore the annual depreciation write-off, to pay Robert Simpson Co. preferred dividends and even to provide something on account of the back dividends due on Simpsons preferred. Much naturally depends on the last quarter of the year, but if fall and Christmas business lives up to expectations aroused by summer and September sales to date, 1933 will be a real oasis in the business desert of the last two years.

Keeping Goods Current

Few men in Canada are in so strategic a position as Charles L. Burton, president and general manager of Simpsons Ltd., and those at the head of other great departmental stores in Canada, to assess changes in buying habits of Canadians, to scent from afar a period in which the buying public is likely to pull the pursestrings tighter and to search far and wide in Canada and elsewhere in the world for the right goods at the right price to meet the kind of demand expected. Few men know better than these men that the immense volume of goods which an up-to-date department store must always have in stock if it is to serve its customers has to be sold at prices the public will pay.

As with other departmental store executives, it is an axiom with Mr. Burton that "the public is king" when it comes to setting prices and the impact on the public since 1929 of mammoth advertisement after mammoth advertisement sufficiently attests his determination that the stock of Simpsons, Ltd., should always be current and therefore always saleable. Some decades ago departmental and other stores felt that it was time to have a sale when goods got shopworn or dirty from being too long on the shelves but "the big fellows" in Canadian merchandising would now think shame on themselves for keeping goods that long. What is said here is true of T. Eaton Co., the Hudson's Bay Co., and other large-scale merchandising enterprises, but Simpson's has the widest investment interest in Canada and its affairs therefore get more publicity than do those of other companies. It has distinct value as an index to the whole picture.

New goods must move continuously into the store and while still new from the store to the customer. More and more expert attention is given to buying programmes so that price, style and quality will be "right" in the first place, that is, that the taste and pocketbook of the customer will be suited. If the latter does not buy immediately there is something wrong and unless the goods are naturally slow-moving, prices are dropped until he does buy.

New Money or New Psychology

The public, by its preference and purchases, soon determines in great part in every department where departmental stores themselves shall do their buying. If Canadian manu-

(Continued on page 2, col. 4)

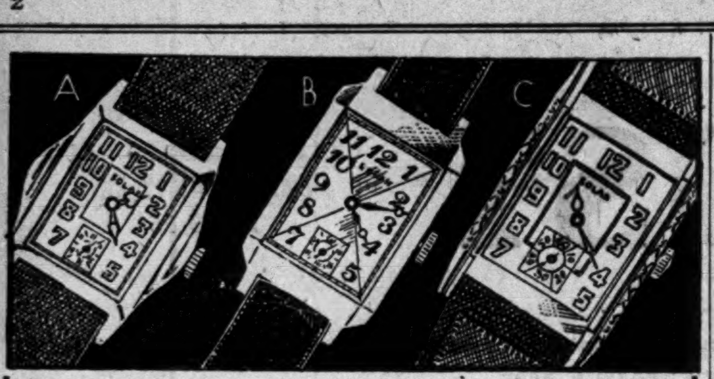
Just Think of It!

A Wellington County farmer driving from Guelph to Toronto counted within a 40-mile area seven new barns being built. All of them were the latest and best type.

Geo. Davis, manager of Hardware and Metal, says this information is not new. He gets the same story from his readers, the merchants across Canada. There has been recently much more building on the farms than in the cities. Many farmers have plenty of money in the banks. They are taking advantage of the low prices of labor and supplies to remodel their buildings and equipment.

The only real complaint the farmers have, as pointed out at a meeting of the United Farmers of Ontario by their recently retired veteran and able secretary, J. J. Morrison, is the present burden of taxation brought about by national, provincial and municipal wastes, when incompetent or dishonest politicians get control of taxes or administer public utilities like railroads, steamships, radio, highways. Highway taxes today are going into provincial general expenditures and radio fees into Dominion general expenditures.

Thirty-five per cent of our incomes go for taxes. This means that four months in the year, say for September, October, November, December and part of January, Canadian workers will in effect hand over to their governments every cent of their hard-earned pay.



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"In the last ten years, the whole of the work of European Liberalism for 300 years has been swept away as so much useless lumber."—*Professor T. E. Gregory, London School of Economics.*

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B. C. POWER CORP. NET PROFIT SHORT OF DIVIDEND NEEDS

Revenue in Past Fiscal Year Lower — Expenses Reduced

From Our Own Correspondent

MONTREAL.—In line with earlier expectations, net earnings of British Columbia Power Corp. for the year ended June 30 last were equivalent to $1.53 a share on the Class A stock. This compares with slightly better than $2 a share reported in the previous year.

No particular reason has contributed to the decline in the company's earning power, demand for the company's services generally being on a lower basis than in 1932.

Gross of $1,500,000

Gross income from all sources amounted to $12,825,555. This compares with $14,356,841 in the preceding year. It is noted that operating expenses have been reduced, as also depreciation charges and taxes. Between 1931 and 1932 taxes paid by the company increased from $446,458 to $1,324,295. During the past year, however, taxes dropped to $1,157,613. As the amount of net earnings available for dividends on the company's Class A stock was below requirements, it was necessary to dip into surplus account to the extent of $462,852.

Reduce Surplus Account

Particulars of the profit and loss account for the past three years follow:

	*1933	1932	1931
	$	$	$
Gross rev...	12,825,555	14,356,841	15,119,945
Oper. exp..	5,804,571	6,642,903	7,779,963
Net rev....	7,020,984	7,713,938	7,339,982
Deprec.	1,827,104	1,869,804	1,870,965
	5,193,880	5,844,134	5,469,017
Taxes	1,157,613	1,324,295	446,458
	4,036,267	4,519,839	5,022,559
Bond int. & pfd. div..	2,499,119	2,510,499	2,585,741
	1,537,148	2,009,340	2,436,818
A divid. ...	2,000,000	2,000,000	2,000,000
Surplus ...	*462,852	9,340	436,818
Prev. surp..	1,472,113	1,462,773	1,025,960
P. & L. bal.	1,009,261	1,472,113	1,462,778

*Debit.

There are no radical changes in the balance sheet as at June 30, 1933. Operations of B. C. Power Corp. properties in the past year were on a more restricted basis. Light and power output amounted to 324,085,930 kw.h. the lowest reported in the last five years and comparing with 346,549,095 in 1932.

The number of consumers in this division, however, showed an increase at 122,298. This compares with 121,169 in the previous year.

Gas Sales Lower

The gas department recorded an output of 1,221,304,000 cubic feet last year, a decline of nearly 100,000,000 cubic feet from 1932. This was the second lowest output since 1929 and represents the production of three plants, a new one having been added during the year.

Gas consumers held up well in 1933, numbering 49,269 as against 50,728 in 1932. The miles of mains increased from 590 in 1932 to 604 in 1933.

Railway System Loses

The number of passengers carried and the tonnage of freight hauled on the railway system declined during the year; passengers numbered 63,190,419 compared with 69,862,419 in 1932, while freight tonnage dropped from 249,285 to 218,776. Despite every effort made toward economies, the railway system has been operated at a loss.

Earnings per Share

	1933	1932	1931
Class A .	$1.53	$2.009	$2.43
Class B .	nil	0.609	0.43

Working Capital Position

	1933	1932	1931
	$	$	$
Curr. assets	7,546,798	7,961,404	8,890,821
Curr. liab..	3,157,307	3,526,487	3,723,241
Work. cap..	4,389,491	4,434,917	5,167,080

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The Nation's Business

(Continued from page One)

export quota agreement was arrived at with a view to eliminating the ruinous competition of the past two years. The four large exporting countries, Canada, United States, Argentine and Australia, agreed on their respective shares of the world requirements and the Balkans accepted their allotted quota. Russia remained outside the agreement, refusing to accept a quota until her domestic situation for this year was more clear.

Now Russia's refusal to accept the 44,000,000 bushel quota and her demand for 75,000,000 bushels bids fair to wreck the whole agreement.

* * *

ALLOWING, however, successful settlement of the Russian problem, what is going to happen at the end of the two years of restricted exports?

It is obvious that while the export quotas may be sufficient to dispose of small or even average crops, a bumper crop in any of the exporting countries will result in a further piling up of surplus—sufficient to eliminate any gains that may be made in price during the two years of restricted exports. Further, might not the knowledge that this surplus will be thrown on the market at the end of the two-year period act to depress the price during the period of restricted exports and thereby defeat the objective of the scheme?

Maintenance of export quotas means the continuance of governments into the wheat situation. The four great exporting countries will be joined in one immense wheat pool, the object of which will be to keep surplus wheat off the market in order to maintain the price. Is this not exactly the same objective of the unfortunate United States Farm Board and the Canadian Wheat Pool?

* * *

U. S. Already Dumps Wheat

THERE is another angle to this wheat agreement which should be given study by Canada before it finally confirms it.

Of all countries participating in the wheat conference the United States pressed most strongly for an agreement. Threats were uttered by the spokesmen for that country that if no agreement were reached the United States would institute a system of subsidized export of surplus wheat in order to increase domestic prices. The agreement has been signed, but the United States is proceeding to do just that thing. It plans to subsidize the export of some thirty to thirty-five million bushels of wheat from the Pacific Coast area. Flour and grain dealers are to be instructed to sell certain quantities abroad, and as soon as their losses on the transactions are determined the Treasury will reimburse them, to a probable extent of about twenty cents a bushel.

* * *

SUCH a practice, prior to the conference would have been recognized as dumping. There can be no more certain way of lowering the price of wheat than for various countries to tax themselves thus to get rid of wheat. If the different countries had agreed that they desired to see the international price of wheat, and not merely their own domestic prices increased, some effective work might have been done at the conference to out-law dumping.

But the United States is dumping wheat, not under the condemnation, but under the implied blessing of the wheat conference. A quota was agreed on for that country although every one knew that without subsidized export, without dumping the United States could not export the quantity agreed upon.

If there are to be any more international wheat conversations, an end to subsidized wheat exports should be Canada's first objective. If at the same time subsidized wheat production could be disposed of, there would no longer be any need to worry about the international price of wheat. There would be no wheat surpluses at the present time except for governments paying farmers to produce it in quantities greater than would otherwise be produced.

* * *

AS A start it might be well to get this fact recognized, that the wheat surplus in the world is not only government created, but the result of governments paying farmers, sometimes directly and sometimes indirectly, to produce more wheat.

Perhaps in time the whole business can be stopped, and it will no longer be necessary for governments to save farmers from the consequences of efforts to save farmers. But in the meantime Canada might try to get an agreement to stop dumping, even if this means a restraint on the liberty of action of our government in the wheat market. And the implied blessing given to the subsidized export of wheat by the United States should be withdrawn as soon as possible.

BREWING CORP. WILL INCREASE CAPITAL

Additional Preferred and Common Authorization is Proposed

Preference and common shareholders of Brewing Corp. of Canada Ltd. will meet at a special general meeting in Toronto on October 31 to consider the reduction of capital by $1,105,701 in order to wipe out present debit balance and create a surplus. Capital will thereafter be shown at $3,764,139, comprising 146,056 shares of preference stock and 267,049 shares of common stock. Shareholders will be asked to approve creation of 500,000 shares of cumulative prior preferred stock with fixed dividend of no more than 6 per cent or 60 cents per share, and another 250,000 shares of no par value preferred stock and 500,000 shares of common stock ranking equal with present preferred and common stocks.

Shareholders are informed that results of the summer's business to date have been better than in 1932 and working capital has been improved. Proposed changes in capitalization and surplus are expected to enable the company to take full advantage of any favorable situation that may arise in the future, to eliminate funded indebtedness and to further extend operations in the industry.

"The penalty which the wise, who refuse to take part in Government, have to suffer is to live under the Government of worse men."—*Sir Herbert Samuel, M.P.*

"People will patiently follow stupid leadership for a long, long time but not for ever."—*Gen. Hugh Johnson.*

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MORE GOODS BEING BOUGHT OVER CANADA

(Continued from page 1)

facturers supply goods which are taken up quickly, the orders go naturally to them, and it is a fact that 85 per cent of all goods sold are produced in Canada; if, however, in some goods the Canadian customer gives preference to the foreign goods he is always right and the goods he "will" buy are bought by the store. In good times quality and style are paramount with prices a secondary though important consideration. In times of depression price looms large to the customer and for what money he has he wants a great deal or there is no sale. He finds he can do without a lot of things which before he thought necessary. The more he exercises his new found capacity "to do without things" retail sales fall, prices drop to entice him, industry lags, confidence wanes and the depression deepens.

But when sales rise it must be because customers have more money or a new psychology. It becomes important to manufacturers and merchants to explore the source of the new wealth or the reasons for the new psychology. When therefore a representative of The Financial Post approached Mr. Burton the other day with a sheaf of questions about his own business, Simpsons' buying programme and its present sales experience, he had in mind the significance of these things not only from the investment point of view but as a barometer of financial, commercial and industrial conditions now obtaining and likely to obtain. In short, these questions—to clear the way for the answers which Mr. Burton made—related to Simpsons' sales and purchases and profits but had in mind their direct bearing on the important question as to the source of the public's increase in buying power, the prospects for stability or fluctuations in commodity prices, the experience in the mail order business, the merchandiser's reactions to currency and exchange fluctuations as they affect his foreign purchases and the influences of greater sales on buying programmes.

Must Still be Careful

"First of all," said Mr. Burton, "you were right in the last issue of The Financial Post in saying that Simpsons is having improved business. All sections of the business are showing improvement but with reference to the whole year it is not spectacular. The late spring and early fall improvement has about overcome the decrease registered earlier in the year. The situation has been helped by reason of the fact that previous economies made have had full effect in this period.

"The volume of transactions, involving comparatively moderate amounts of money, has exceeded any past record, and to my mind this indicates two things: first, that people are still buying from hand to mouth; and second, that Simpsons is getting a greater share of the business that is offering. We still need, therefore, very careful buying policies to meet this situation. We have been successful in that our inventory is now at the lowest point. There is very little merchandise in our stocks or committed for which was not bought at the lowest point registered by commodities.

Deferred Payments Kept Up

"A few weeks ago there was a tremendous flurry in commodities. Pressure was brought to bear on us to make us commit ourselves in advance for the goods we should need for this fall's trade. Our reading of the public temper made us cautious and, though our commitments are considerably in excess of last year's commitments at this time, they are all placed at the lowest market prices and confined entirely to strictly suitable merchandise in which there could be no question of color or style change. Furthermore, the goods bought are to be taken into stock as required, and this has enabled us to maintain inventory still at a low point, to keep our cash position strong, and to get all available cash discounts when buying.

"Our accounts receivable are in a very healthy state, and I am glad to state that it now appears we will be able to emerge from the present state of stress with a substantial part of the resources originally set aside to provide for possible bad accounts. We have naturally followed a conservative policy during this period in extending credit on deferred terms. Our customers themselves have refrained for the same reason from taking on commitments beyond their ability to discharge. The lower inventories and the lower accounts receivable have resulted in a very comfortable cash position. We have continued to take advantage of every discount for payment of accounts before they are due, and at the present time our working capital position is very comfortable.

"Our inventories have been kept in a highly current position and as the trend of commodity prices has been upward the losses from mark-downs in price are likely to be substantially less than last year. The expenses of the business have been under excellent control. From January 1 we have had the full benefit of maximum economies introduced during the preceding three years. In the early part of the year these economies amounted to a substantial amount each week.

Recovery Starts on Farm

"You ask where buying power is exhibiting itself most. The largest increase in sales is in the Maritime Provinces but even in Western Canada there is more buying. The most significant increase is from the country east and west. There is really quite a remarkable revival in demand for goods of our mail order department which, of course, looks for its market among country people whom it reaches by catalogue. That is not only important for its effect on mail order buying but there is a very real relation between recovery in the country and what is to come in urban centres.

"I shall never forget the discouragement and the losses I found in the excellent farming districts of Wellington and Waterloo counties in May, 1931. As an example, farmers there who used to buy Western steers and finish them, found that they had to market the finished steers for less than original price and they lost as well the time, pasturage, feed and care used to increase the weight of these steers. That experience destroyed in great part a profitable market for Western steers and west and east it led to a fundamental diminishing of buying power. A similar story could be told of other farm products.

"Now against that let me tell you a story told me by a Stratford manufacturer the other day. A farmer, some weeks ago, brought hogs to market where he sold them at $6 a cwt., whereas when he started to breed them the price was little over $3 per cwt. He got just $26 more than he had originally planned for and before he left Stratford for his home he had spent $25 of that extra $26. Multiply that incident by the thousands and you will see one source of buying power.

"In May, 1931, when I came back to Toronto from seeing almost a total cessation of buying of anything but the sheerest necessities in farm districts I found the citizens of Toronto buying as much as ever. They were getting just as many silk stockings, as many dresses, as many furs, as many radios; in fact, just what they wanted and were able to pay for, as before. I felt then that what was happening in the country would reach the city and it did. But now, when they are beginning to buy in the country, that added prosperity will also find its way to the city, and that is what has been happening.

New Wealth Produced

"The recovery in the last few months is apparently due to deflation having gone to a very low point. There is a limit to what can be done in deflation and the first commodities to show an improving price and demand were those that first fell in price, namely, farm products. Improvement in price of farm products has been a world-wide condition. Doubtless ararngements made at the Imperial Conference at Ottawa aided our sales in Great Britain. Higher prices for hogs, wheat and other farm products have helped the man who needed such help most and it has increased confidence that purchasing power will grow in cities as well. Starting at the farm it will filter down through the whole system.

"I believe that the spending power of the public is directly related to the production of new wealth in the different communities of the country. When extravagance in towns and cities and of provincial, federal and municipal governments reaches totals approximating the production of new wealth, trouble ensues. We can have Empire conferences, world conferences, Government regulations, bank commissions and so on ad infinitum, but until the amounts spent by public authorities and in towns and cities have a strict relation to the value of what is produced in the country, we will be in trouble.

Must Turn Over Quickly

"Business in cities is somewhat better. You will realize that large stores like ours in times such as we have been passing through, have to carry large stocks of merchandise which the public in the meantime is not able to buy. We make our purchases for about 100 days ahead in most departments and every 100 days should see us cleared out of goods 100 days old. When hard times strike the city the people begin to limit their buying to replacements or to new things which can be used to make old things do. They double up to save rent costs, cut down old curtains and add something new to make them look well. The store has to meet these changed ideas. It cannot only buy what moves swiftly. It has customers who occasionally will want other goods which are slow moving. If any member of the public is going to want any article at all, the department store cannot avoid buying it even if it be slow-moving. Having goods asked for is as necessary to a departmental store as your hand or nose is to you. If it is to live the store has to be ready with the wanted goods all the time.

May be Industrial Lull

"You ask if factories are likely to find their present activity keep up. I would not be surprised to see a temporary lull in manufacturing activity. Much of their present business activity is based on orders at old prices because they were temporarily in a favorable position with respect to commodity markets. Factories of this kind naturally anticipated a good deal of future business, promising on the basis of old prices to deliver at future times. The upturn in business is not sufficient to justify the thought that the ratio of increase shown in the summer months will increase much during the balance of the year. In so far as business has been anticipated a later lull can be expected.

Loosen Up Trade Restrictions

"I do not think there is any large improvement to be expected until this movement of commodities is accompanied by a loosening up of the trade restrictions on goods from abroad. By the time we pay through New York for British and continental exchanges and pay duties required under present regulations, it is impossible to import from any of these countries and make any money. I referred before to the greater sales of Canadian goods in Britain as a result of the Imperial Conference but unfortunately we are not able to buy from Britain better to any important degree than we could before the conference. It does not work both ways.

"Many Canadians have failed yet to realize the importance of fair play to imports. I refer not only to the fact that imports help to pay for exports but even for the good of manufacturers themselves they are needed. If we do not import in reasonable proportion, say from 12½ to 15 per cent of the goods used, our Canadian manufacturers will lose the art of making what the Canadian public and indeed any civilized people today demand. The amount of duplication of products which occurs under trade restrictions is great. Products of Canadian manufacturers tend to become so nearly alike that they are hard to distinguish. That occasions a drop in buying by the public, and it is solely due to a lack of the infusion of ideas which comes into a country with goods imported. That tendency to uniformity is fatal to the prosperity of the manufacturers themselves.

Keep Under U. S. Dollar

"In my opinion Canada will do best while her currency keeps a little under the American dollar. The large sums she gets from the United States and the huge sums of interest payable there make necessary a stable relation to that dollar rather than tying up to the British pound. If our money was dearer than the United States dollar we would be at a disadvantage in export markets.

"Tariffs are now so high as to prohibit trade with the United States while their dollar is at a premium. That premium is in itself a protection and tariffs should not be so high as to be absolutely prohibitive. Canada should not wait for other countries before moving to improve trade relations in her own interest. There is no reason why we should wait for other countries before taking sensible action as to British and foreign imports. If certain action is obviously in our interest, why not take it at once?

"Considerable internal adjustment has taken place in Canada. The continued strenuous efforts of many companies, to reach a position of minimum expenses for the business done, is placing them in a position to show improvement compared with last year.

"The net result of all these factors will be more money spent for commodities in Canada this year as compared with last year."

THE administration at Washington is working on a programme that involves inflation on a large scale. Many of the most important features of the programme have not yet been decided on. But whatever final form the programme takes Common Stocks and Commodities will likely be the first to feel the benefit.

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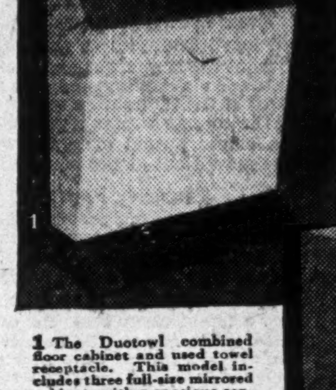

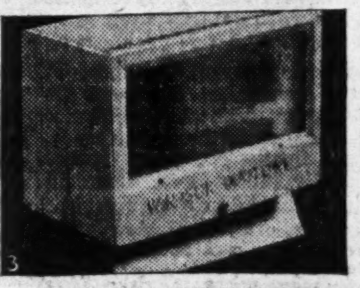

1 The Duotowl combined floor cabinet and used towel receptacle. This model includes three full-size mirrored cabinets with a spacious container for the reception of discarded used towels. Heavily enamelled metal construction, in black and white combination. Height 4 feet, 33½ inches wide by 12½ inches deep. Price $14.50 per unit, crated.

2 This is the plain Duotowl metal wall cabinet. Finished in baked white enamel. Holds at least 200 towels. Size 11 inches wide by 7½ inches. Price $1.25 per unit (East of the Great Lakes).

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Many Weaknesses Seen In U. S. Security Law

It Protects Investor Against Fraud but Does Not Protect Him Against His Own or Dealers' Mistakes of Judgment

By ROGER S. DAVISON

From July 7, when the new United States "Securities Act of 1933" became effective, to August 31, 193 issues having a value of slightly over $200,000,000 were filed with Federal Trade Commission. Public offering has been proceeded with in the case of 104 of these issues, the balance having been refused registration or withdrawn.

No large or nationally known corporation has yet attempted the sale of a security issue under the act, although several companies require funds urgently for current needs and for the refunding of shortly maturing issues.

The new corporation issues offered to date may be classified as follows:

	No.
Brewery and related issues	150
Gold mining and oil prospecting	12
Investment trusts	8
Foreign	4
Miscellaneous	19
	193

The large businesses are reluctant to undertake public financing until the Securities Act is more clearly interpreted.

Protection of Investor

Whatever the effects of the new act upon corporation financing may be, it has given to the investor a great degree of protection. This is not strange considering the losses incurred by security holders during the past four years. While in many instances the losses were the result of uncontrollable circumstances, in numerous other cases they were the direct result of reckless and uncontrolled financing.

Over $100,000,000,000 of bonds are outstanding in the United States and Canada; and over 50 per cent of the total savings of the people on this continent have gone into publicly offered securities. To date all legislative efforts have been directed toward safeguarding the investor against the wiles of dishonest salesmen and the lure of fraudulent issues. Existing legislation has been only partially successful because no statutes have attempted to protect the public against its own eagerness for large and quick profits and its indifference to sound principles of investment.

Aimed at Malpractice

The Securities Act of 1933, at the most, provides protection against only one investment risk, viz., fraud or misrepresentation. It is formulated on the principle that the greatest dangers facing the investor are the malpractice of corporate executives and the knavery of investment bankers and brokers. Such persons are apparently to be regarded with the utmost suspicion. It is complacently assumed that the risks of overcapitalization or of incompetent management will be appraised intelligently by the investor who will also differentiate carefully between a conservative investment and a rank speculation.

The act requires that a great mass of information, correct and in no way misleading, shall be given to the buyer. It demands that a dealer employ no improper methods and make no false statements. From that point, however, the investor is placed entirely upon his own resources. The figures presented in the prospectus may be so much "Greek"; the statements describing the issue may be no more illuminating than those contained in most financial documents. That does not matter.

Mistakes of Judgment

So far as losses are due to deliberate fraud or deceit the act should prove effective in protecting the investor. So far as losses are due to mistakes of human judgment the act will accomplish nothing.

Some Features Missing

The Securities Act requires detailed information about a company about to offer a new issue to the public. The investor, one would think, is entitled to believe that the information provides all of the facts necessary to a proper appraisal of the value of the security in question. Such is not the case. The act fails to bring to the investor's attention such important facts as the supply of raw materials, labor conditions, competitive influences, tariff protection and such other general facts which are essential to an intelligent consideration of the merits of any security. In the long run, therefore, the buyer is bound to rely upon the integrity and experience of the investment banker rather than entirely upon his own judgment.

Education of Investor

In considering this question of protecting the investor is it not possible that too much emphasis has been placed on the necessity of controlling and restricting the sale of securities and not sufficient emphasis on the education of the investor? Every effort has been made to protect the investor against unscrupulous promoters and "slick" stock salesmen, but no steps to protect the investor against himself.

Raise Selling Standards

The people for whom safeguards should be erected are the thousands of small investors, including many women, who have no opportunity of becoming familiar with sound business principles. It is not enough that the bonds and stocks offered to such persons should be honestly issued and truthfully represented. This is essential, of course; but is it not preferable that the standard of security selling be raised to a level where fraud and misrepresentation would be automatically eliminated and where discrimination would be used, so that only the safest type of investment would be recommended to those dependent upon their income from securities and the more speculative issues sold only to those financially able to assume substantial risks?

Standards of Practice

The practice of medicine, the practice of law as well as other professions are subject to strict regulations either of a self-imposed nature or on the part of the state. The ethics of the professions leaves little room for criticism. The investment of savings has become so important and is fraught with so many dangers that investment banking should become a profession and as such should be subjected to very much more rigid supervision. If the members of the Investment Bankers' Association do not themselves face the issue and raise the standards of the security business, an obligation will rest upon the state to provide a code of ethics.

Works Only One Way

The United States Securities Act is very carefully worked out in certain directions, while at the same time a number of protective measures have been overlooked. Most complete information must be given the buyer when a security is being sold to him, yet no such provision applies in the case of a purchase from the investor of a security already owned by him. An unscrupulous dealer might mislead his client into disposing of a perfectly good bond at a price much below its real value.

The act seems inimical to the best interests of investors in virtually preventing a free market for a new issue until one year after the original public offering. The requirements of the act with respect to the sale of new issues (for a period of twelve months after the original offering) are such that few dealers not associated with the original financing are likely to trade in the issue until such requirements are no longer necessary.

May be Ineffective

While the Securities Act at first glance appears to be an extremely severe piece of legislation and might be expected to accomplish at one stroke its avowed purpose of forcing full disclosure of all material facts related to a security, it is very doubtful if in practice it will be as effective as might be imagined. This doubt rises from a consideration of two different features of the act. In the first place the liability with respect to the sale of any securities by means of misleading statements may be avoided provided the dealer can prove that he exercised reasonable care in complying with the provisions of the act. The standard of reasonableness is to be that required of a person occupying a fiduciary relationship. One can imagine the difficulty which the investor may experience in securing conviction where any doubt exists as to the guilt of the dealer.

Must Sue in Courts

In the second place, if an investor finds that he has purchased a security on the basis of misleading information his only recourse is to take action in a court of competent jurisdiction for the refund of the consideration paid or, if he no longer holds the security, for the loss sustained in disposing of it. Since he will be far from positive that he will win his case a small investor will very naturally hesitate to institute court action, as the costs, in the event of the action being dismissed, might easily exceed the full amount involved.

Drafted Hurriedly

The indignation felt by the public generally toward all bankers has no doubt been responsible for the rather one-sided purpose of the new Securities Act. There can be no question that this bill was drafted hurriedly and without proper consideration. In the final analysis the investor, as in England, must have confidence in the house issuing the securities; and confidence cannot be inspired altogether by legislation.

It is to be hoped that if the Dominion Government in this country decides to introduce legislation of this nature it will have before it a broader purpose and will adopt more practical methods.

Some suggestions as to the type of legislation required in Canada and the best means of bringing it into effect will be presented in the concluding article in this series, which will appear next week.

QUEBEC ANTICIPATES LARGER TIMBER CUT

Lower Dues Expected to Stimulate Woods Operations

From Our Own Correspondent

MONTREAL. — Increased timber operations are expected to take place in Quebec during the coming winter.

The Quebec Government has already authorized a reduction in stumpage and timber area rental fees, with the object of encouraging larger cuts of timber, thus guaranteeing employment to a larger body of men.

Last year's cut was one of approximately 660,000,000 board feet measure; this season, it is hoped that the cut will be increased by nearly 100,000,000 board feet measure, or to one of 760,000,000 board feet. And while between 15,000 and 16,000 men found employment in the province's lumber camps last year, it is expected that an additional 6,000 or 8,000 should be employed this year.

Look For Exports

Officials of Quebec's Department of Lands and Forests point out that an increase in the sale of Canadian Lumber to both the United Kingdom and the United States markets, will prompt a greater cut in Quebec this year, as well as in the provinces of Ontario and New Brunswick. Great Britain is purchasing a larger quantity of Canadian wood at present and it is expected that further and larger commitments will be made before the end of the year. The United States also is becoming a heavy buyer of Canadian wood, ports in the Maritime provinces reporting that lumber shipments between New York and Boston have increased two-fold.

"Had the things now happening in Germany taken place in the Balkans before the war, the whole of England would have been in a turmoil of indignation. But today we say it is their affair and we cannot interfere." — *Wickham Steed, British publicist.*

RELIANCE GRAIN INVENTORIES UP SHARPLY IN 1933

Profits from Operations Register Moderate Increase

From Our Own Correspondent

MONTREAL.—Slight increase in net profits and a pronounced increase in inventories are features of the financial statement of Reliance Grain Co. for the year ended July 31 last. In his comments on operations for the past year, Sydney T. Smith, president, does not enlighten the shareholders on the reason or reasons for the increase in inventory values from $3,738,163 to $8,117,573. This situation, in turn, is reflected in bank loans which have advanced from $2,536,855 to $7,226,083.

Operating profits for the past year amount to $351,972, as against $325,783 in the previous year. After taking care of depreciation, bond interest, taxes, and preferred dividends, there was a deficit in the 1933 fiscal year of $104,749, or about $23,000 less than reported for 1932.

Deficit After Dividends

Particulars of the profit and loss income accounts for the past two years follow:

	1933 $	1932 $
Operating profit	351,972	325,783
Bond interest	110,701	114,836
Depreciation	211,520	208,671
Income tax	4,500	......
Net profit	25,251	2,276
Less: Pfd. divds.	130,000	130,000
Surplus	*104,749	*127,724
Prev. surplus	796,354	925,927
Balance	691,605	798,203
Add. tax	......	1,849
Forward	691,605	796,354

*Deficit.

Bank Loans Larger

Balance sheet position at the end of July last reflects the change in inventory position. Assets are shown at $12,661,251 compared with $8,083,590 at the close of the previous fiscal year. Bank loans, as already mentioned, increased $5,000,000 to $7,226,083. Current liabilities are somewhat larger, while the amount to the Smith-Murphy Company has been reduced from $148,521 to $63,969.

During the past year, the company cut down its funded debt by $47,600 to $1,825,000. These bonds were retired at a discount and the difference applied to the credit of the bond discount account.

No Capital Change

No change has taken place in the outstanding preferred or common stock values, while the surplus at $691,605 is roughly $105,000 less than a year ago.

The principal feature of the assets, of course, is the large increase in inventories. Accounts receivable are also of interest, having increased during the year from $281,701 to $535,617.

Memberships owned by the company are shown on the books at $153,589, an increase of $5,559. Investment in subsidiaries advanced $40,000 to $290,000 during the year, while the property account is shown on the books at $3,257,930 compared with $3,406,424.

A new item among assets in the 1933 balance sheet is an account for sinking fund on the outstanding bonds.

Export Prospects Better

Commenting upon the outlook for the company, Mr. Smith stated that operating conditions in all branches of the grain trade have been exceptionally difficult, especially so in the export business. The Reliance Grain Co., he says, has successfully maintained its connections in all markets. The 1933 crop, he continues, will be much smaller than last year and while this will mean a decreased volume of grain to be handled, prospects are good for an increased volume of business for exports, owing to the poor crop outlook in other exporting countries.

Ottawa Firm in Refusing Revision of Company Laws

From Our Own Correspondent

OTTAWA.—While the Government has been following with interest the campaign being carried on in The Financial Post for a complete revision of the company laws of Canada, there has been no change in the official attitude.

The Government does not intend to undertake any revision of the Federal Act; is not impressed with the arguments of those who advocate one; believes that the agitation is nothing more than an evidence of the times through which we are passing. This was the attitude made plain by authoritative spokesmen at Ottawa several weeks ago and summarized at length in The Post. It is the attitude today.

In the meantime many of the statements made with regard to the existing Companies Act have been checked up. For example it is stated on the highest authority that a departmental investigation carried out in recent weeks proves that there has been no complaint regarding the operations of any federally incorporated company received by the Government in the past three years. Letters of complaint have been received, but upon looking up the files these complaints have had to do with the operations of provincially incorporated companies. Moreover, most of the companies complained of were chartered or incorporated by provinces which have enacted blue sky laws designed to protect investors.

As one high Federal official remarked: "There has been a contraction in the value of the securities of Canadian companies in the past three years of some $4,000,000,000 and it is too much to expect that this could take place without an agitation of the kind now proceeding in the press."

CELANESE STOCK SETS GIDDY PACE IN CURRENT TRADE

Sell at Over 70 Times Last Year's Earnings; Arrears on Preferred

From Our Own Correspondent

MONTREAL. — Speculative interest in Canadian Celanese has carried the common stock up to $27 a share, at which point it is selling at over 70 times last year's earning power without taking into consideration that before any distribution can be made on the common stock, dividend arrears of $27.75 on the preferred stock will have to be wiped out. Further, the book value of the equity back of the common stock at the end of last year amounted to only $7.72.

Brought into being in 1926, Canadian Celanese was largely a marketing organization until the completion of its construction programme. In 1928 the company was in a position to carry out complete manufacturing processes.

Sales Move Forward

Sales and earning power showed a rapid increase between 1929 and 1932. In 1929 earnings on the preferred stock amounted to $4.06 a share. This increased to $9.02 in 1930, was maintained at $8.95 in 1931 and declined to $7.98 in 1932.

At the end of 1930 the management declared an initial dividend on the preferred stock. Semi-annual payments of 3½ per cent were continued until quarterly payments were instituted, commencing Sept. 30, 1931. An extra dividend of 1 per cent on account of arrears was paid at the end of 1932 and on June 30 an additional $1 was paid on arrears, which now amount to $27.75 a share.

Current Business Good

Current sales volume of Canadian Celanese is reported to be satisfactory with plant operations averaging near capacity. Earning power is understood to be at about the same level as last year.

May Liquidate Arrears

It is now reported that directors of the company are giving consideration to the liquidation of dividend arrears on the preferred stock. One report has it that the management is desirous of conserving liquid resources and does not wish to adopt any plan to clean up the preferred arrears which will involve any large cash outlay.

The company at present has outstanding 90,000 shares of preferred stock of a par value of $100 each. The arrears of dividends amount to $2,497,500. There are unissued 49,591 shares of common stock. It is possible that the directors may offer the preferred shareholders common stock instead of cash in order to clean up the dividend arrears.

Willson Stationers' Net Loss Increased

Willson Stationers and Envelopes Ltd. had a net loss of $63,419 in the year ended April 30, 1933, as compared with net loss of $45,158 in the preceding year. With total current assets of $569,507 and current liabilities of $99,295 the company has working capital of $470,212 as compared with $518,265 in 1932.

In current assets, cash is down to $18,996 from $22,998, marketable securities remain at $23,375 but market value of these securities has increased to $15,209 from $14,364. Accounts receivable are down to $104,098 from $125,489 while inventories are down to $390,238 from $417,265. Cash surrender value of life insurance is carried at $32,800.

The company shows total assets of $935,649. Land, buildings, equipment, etc., are carried at $229,405 after depreciation while investments in Pioneer Envelopes Limited remains at $35,000. The deficit account now stands at $94,805 as compared with $31,387 in 1932.

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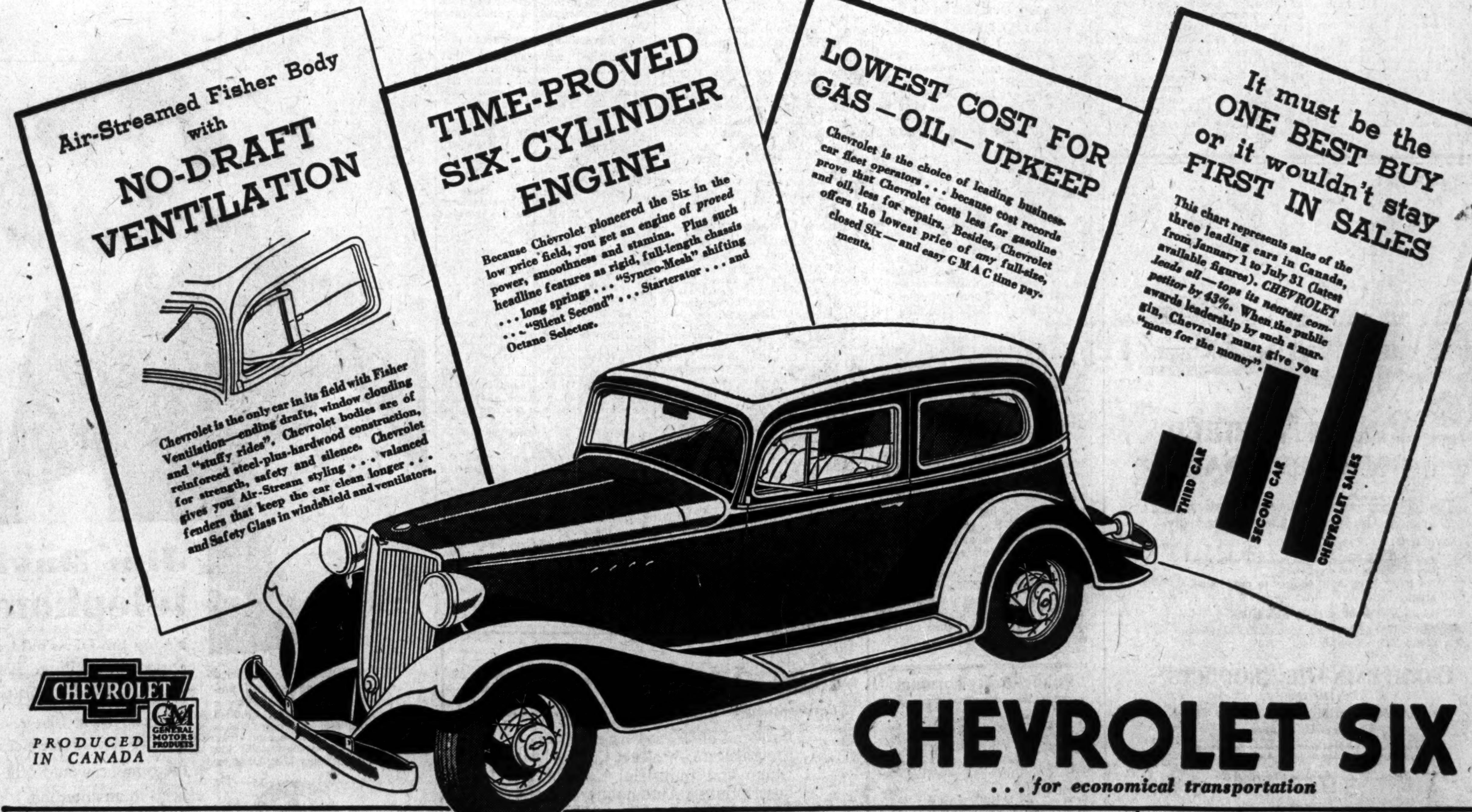

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Utilities and Transportation

JAMAICA PUBLIC SERVICE RETIRES BLOCK OF BONDS

Sinking Fund Operative; Increase in Notes; Earnings Hold

From Our Own Correspondent

MONTREAL.— Consolidated income of Jamaica Public Service for July last amounted to $62,000,619, or $732 less than a year ago. After providing for all prior expenses, including interest and amortization charges, there was a balance of revenue totalling $14,233 compared with $16,697 in July, 1932.

For the twelve months ended July, 1933, Jamaica Public Service's consolidated income totalled $794,959 as against $798,171 in the preceding twelve months period. Net operating income for the past year amounted to $329,706, or $9,475 more than in the previous year. The balance available for dividends after interest and amortization charges totalled $218,173 as against $207,968 in the twelve months ended July 31, 1932.

Net income of the company was only a few hundred dollars short of covering all dividend charges in the year ended July 31, 1933. Surplus account was reduced from $249,596 to 248,716. In the previous twelve months period, there was a surplus of approximately $33,000 after payment of dividend charges.

The consolidated balance sheet of Jamaica Public Service at July 31, 1933, shows two or three interesting changes in comparison with that reported on the same date last year. Among assets, cash on hand increased from $156,939 to $373,771. Among liabilities, the coming into operation of the sinking fund of the funded debt is reflected in the reduction of the outstanding bonds from $2,000,000 to $1,970,000. Offsetting this is an increase in notes payable from $46,233 to $194,666.

MONTREAL POWER DICKERS FOR PLANT

Ste. Anne Willing to Sell, But Price Too High for Company

From Our Own Correspondent

MONTREAL.—Town of Ste. Anne de Bellevue has offered to sell its electrical plant to Montreal Light, Heat and Power Co. for $90,000, but this offer has been countered by the company with a bid of $50,000.

The town's plant was constructed 19 years ago at an original cost of $130,000. Power has been received by the town from Montreal Light, Heat and Power under contract which expired on July 16 last. The company continues to supply electricity, which is retailed to consumers at 8 cents a kw.h. net.

Special Tax Important

Included in this relatively high rate is an electrical tax which brings the town an annual income of about $19,000.

In the event of the power plant being sold by the town to Montreal Power, the transaction would go through on the basis that electricity would be sold to consumers at a rate which would bring to the power company 3 cents net per kw.h. To compensate the town for its annual revenue of $19,000, a royalty of 5 cents per kw.h. would be added to the 3-cent rate during a ten-year period. Thus there would be no change in the present rate.

B. C. Power Corp. Income Holding Up This Year

From Our Own Correspondent

MONTREAL. — Though gross revenue showed a slight drop, B. C. Power Corp. was able to improve its net operating income position during August last. Gross revenue totalled $1,013,678 as against $1,047,553 a year ago. Expenses were reduced, leaving net income at $278,743 compared with $273,677 in July, 1932.

For the first two months of the fiscal year ended August, 1933, the company had a gross income of $2,016,855, operating expenses $1,444,998, and a net income of $571,857. For the same period last year gross revenues totalled $2,113,508; expenses $1,540,043; and net income $573,466.

Winnipeg Electric Bond Interest Will Not be Paid At Beginning of October

Finances Will Not Permit Payment, President Says

LABOR TROUBLES

Manitoba Power's Bond Only Issue in Group Not Now in Default

From Our Own Correspondent

MONTREAL. — Winnipeg Electric Co.'s positon has not undergone any strengthening as a result of developments over the past week.

Edward Anderson, president, has informed the holders of the company's 5 per cent refunding mortgage stock, payable in sterling, and the 6 per cent refunding mortgage bonds, that the present financial positon of the company does not justify payment of interest on October 2.

The second adverse development was the threat of a strike among the street railway employees. The company, backed up later a decision of the board of conciliation, considered a wage reduction imperative. The men thought otherwise and were "ready to walk out" last Friday. Last moment overtures prevented this step and the strike has been given a three months hoist during which time it is hoped that representatives of the workers and the company will be able to come to an amicable agreement on the matter of wages.

Reorganization Draws Nearer

Passing of interest on Winnipeg Electric's funded debt is generally regarded as a step nearer to the reorganization plans. Committees representing Winnipeg Electric bondholders and those of two subsidiary companies—Manitoba Power and Northwestern Power—have been giving consideration to various plans. As far as can be ascertained no decision has been reached as to the proposed reconstruction of the parent company, but the passing of interest on all bonds places the committees in a better positon to work out a scheme.

Affairs of the Western utility have been involved for some time. Expansion of power-producing facilities and the undertaking of guarantees which the company has been unable to fulfill, have been the principal causes of the downfall of Winnipeg Electric, whose common stock a few years back was selling at better than 100 and can now be bought for a dollar or two a share.

Cause of Trouble

Troubles of the company are traceable to the formation of the Northwestern Power Co. to exploit the Seven Sisters Power site. Back in 1926 the management of Winnipeg Electric thought they could see a shortage of power within a few years. With this thought in mind Winnipeg Electric secured the right to develop the Seven Sisters power site.

Elaborate plans of expansion were drawn up and the Northwestern Power Co. floated $10,000,000 of bonds carrying the guarantee of Winnipeg Electric as to principal and interest.

Shortage Becomes Surplus

In due course the plant was completed, but the anticipated market for the additional power had disappeared. Instead of a shortage, there was a surplus, even without Northwestern's plant.

With no market for its power and the parent company unable to meet its guarantees, Northwestern Power defaulted on its bond interest. A bondholders' committee was formed to investigate the situation.

Default Subsidiary Bonds

The next development was Winnipeg Electric's inability to redeem the 5 per cent first mortgage bonds of its subsidiary Winnipeg, Selkirk and Lake Winnipeg Railway Co. Of the total issue of only $400,000, $50,000 was in the hands of the public and the balance put up as collateral against one of the parent company's issues.

This brought about a technical default in the case of Winnipeg Electric's refunding mortgage bonds.

Form Protective Committees

Meanwhile, bondholders of Manitoba Power, another subsidiary, and of Winnipeg Electric became alarmed at the trend of events and formed protective committees toward the end of July last.

In view of Winnipeg Electric's inability to meet various guarantees on subsidiary bonds, it was to be expected that when the time came to pay interest on its own bonds, such payment would likely be passed. This is what happened.

Manitoba Power Alone

Manitoba Power Co.'s bonds are not in default. The last interest payment on July 1 was met promptly. It is very doubtful if this will be the case when the next half-yearly interest falls due on January 1, unless a reorganization plan has been effected in the meantime.

Merge Different Properties?

It is apparent that the rehabilitation of Winnipeg Electric and its subsidiaries will be carried out on the basis of one unit rather than as a number of separate units. The future of these companies interlocks and the merging of all properties into one may possibly be the soundest move.

There is considerable speculation as to how the individual securities will fare in the reorganization plan. The guarantee of Winnipeg Electric has proved to be "another scrap of paper." Those who bought the subsidiary bonds on the strength of Winnipeg Electric's guarantee may not be satisfied with any compromise plan. In that event, the reorganization of Winnipeg Electric and its subsidiary units may be a long drawn out affair.

Dosco Production at Low Point in 1932

From Our Own Correspondent

MONTREAL.—Production records of Dominion Steel and Coal Corp. for 1932 were the lowest in many years. There was a drop in coal production in 1932 as compared with 1931 of nearly 750,000 tons. Pig iron and steel ingot output was about one-third of that reported in 1931, while iron ore production in 1932 approximated about 60 per cent of that reported for the preceding year. The decline is even more pronounced when compared with 1930, coal output dropping nearly 1,950,000 tons; pig iron, 180,000 tons; steel ingots, 230,000 tons, and iron ore, 1,100,000 tons. Comparative tonnage figures for the past two years follow:

(Long Tons)	1932	1931
Coal	3,131,875	3,874,365
Pig Iron	30,697	101,383
Steel		
Ingots	67,573	169,962
Ore	317,858	537,210

BEAUHARNOIS ADDS TO LOAD ON OCTOBER 1

Increase Deliveries to Ontario Hydro and Montreal Power

From Our Own Correspondent

MONTREAL.—Contract power deliveries of Beauharnois Light, Heat and Power Co., controlled by Beauharnois Power Corp., will be increased from 60,000 to 133,000 h.p. on October 1 next. This additional power will go to Montreal Light, Heat and Power Consolidated and the Ontario Hydro-Electric Power Commission.

Beauharnois development of the St. Lawrence at Lake St. Francis commenced in 1929. In August, 1932, the first two units of 50,000 h.p. each had been installed. Early in September water was admitted to the canal, the units were tuned up and delivery of power commenced on October 1, 1932, according to contract.

Two Major Contracts

The company's contracts, which call for an eventual delivery of 462,000 h.p. comprise the following: Hydro-Electric Power Commission of Ontario, 250,000 h.p. at $15 per h.p. per annum; Montreal Light, Heat and Power Consolidated, 200,000 h.p. at $14.65 per h.p.; and Montreal Cottons Ltd., 12,000, of which 8,000 h.p. is gratis and the balance on option at $15 per h.p. per annum.

Ontario Hydro's contract calls for delivery of 35,000 h.p. as at October 1, 1932; 75,000 h.p. as at October 1, 1933; 129,000 h.p. as at October 1, 1934; 196,000 h.p. as at October 1, 1935, and the full contract as at October 1, 1936.

Montreal Power's contract calls for delivery of 25,000 h.p. as at October 1, 1932, and an additional 25,000 h.p. each succeeding year until October 1, 1939, when the full contract of 200,000 h.p. will be delivered.

Public Utility Earnings

Southern Canada Power

	1933	1932	Incr.
August:	$	$	$
Gross	176,409	172,804	3,605
Oper. exp.	71,047	66,847	4,200
Net	105,362	105,957	*595
*Decrease.			
11 months:			Decr.
Gross	1,934,516	2,040,454	105,938
Oper. exp.	701,847	763,948	62,101
Net	1,232,669	1,276,506	43,837

B. C. Power Corp.

	1933	1932	Decrease
August—	$	$	$
Gross Revenue	1,013,678	1,047,553	33,875
Oper.-Exp.	734,935	773,876	38,941
Net Income	278,743	273,677	5,066
Two Months end. August—			
Gross Revenue	2,016,855	2,113,509	96,654
Oper. Exp.	1,444,998	1,540,043	95,045
Net Income	571,857	573,466	1,609

Election Campaign in B. C. Develops Amazing Features

From Our Own Correspondent

VANCOUVER.—Another chapter has been added to British Columbia's amazing political serial when a group of so-called independents, including R. W. Bruhn, former minister of public works, and W. J. Bowser, former premier, issued a statement repudiating the Tolmie administration while Premier Tolmie serenely proceeded to name another member for his wobbly provincial cabinet.

Even Hon. J. W. Jones, minister of finance, issued a proclamation indicating that while he would continue a member of the Tolmie ministry until the election he would campaign as an independent. Mr. Jones, in a Jekyll and Hyde rôle is for the Government and a member of it so far as present public policies are concerned but avowedly opposed to it so far as the election is concerned—a rather unique position for a politician even in B.C.

Bruhn, "main push" in the new independent movement, is known as "the Swedish immigrant boy who made good." He resigned because he insisted Tolmie had failed to form an honest-to-goodness union Government. He went to his own riding, Salmon Arm, enunciated a platform of his own and was given a rousing reception. "Boom Bruhn for Premier" became the battle cry of a large section of the Tory-inclined independents, but Mr. Bruhn replied that he was not booming himself or anyone else for premier. All he wanted was a reasonable hope that party politics and all that party politics implied might be abolished. The idea was that he and a group of other independents would run for the legislature. If they won a majority they would meet and then name a leader; they would not campaign as a party.

This programme evidently appealed to the supporters of the Bowser campaign, which somehow failed to rouse the enthusiasm that was anticipated. Eventually the Bowser and Bruhn forces got together, Bowser decided to submerge his leadership and to fall in line with Bruhn and other independents.

Their joint statement of policy denounces the Tolmie administration and goes on record as being opposed to party politics and machine rule, patronage and campaign funds.

Tolmie is nominating few candidates of his own and apparently counts on the support of independents.

Tolmie will not admit that he is through. This week he appointed a new cabinet minister in the person of William Savage, Vancouver lawyer.

These developments are all grist for the mill of T. D. Pattullo energetic leader of the Liberals who long ago claimed that attacking Tolmie was like "flogging a dead horse" and who is now training his guns on the independent invasion.

The C. C. F. is aggressive and is worrying party leaders.

RAILWAY TRADES SEEK LEGAL AID ON PAY PROBLEM

Will Sue C.P.R. and C.N.R. for Alleged Short Payments

From Our Own Correspondent

MONTREAL.—Legal counsel has been retained by the railway running trades to enter suit in Nova Scotia, New Brunswick and Prince Edward Island against the Canadian Pacific and Canadian National Railways for the recovery of wages claimed to have been short-paid by the railway companies to the employees in the running trade as from February 1 last up to the time of suit. Similar action will be taken in other provinces.

The men's position regarding the legal suit was that when the agreement of February 4, 1932, giving effect to the first 10 per cent cut expired, it automatically restored the agreement covering the basic wage rate, in the absence of any new agreement as between the men and the company. The companies continued the 10 per cent agreement three months beyond the expiry period and later put into effect a further 10 per cent deduction from the basic rate, the men contend.

The claim in Nova Scotia, it is said, will amount to several hundred thousand dollars and throughout the Dominion it will run into the millions. If all employees of all the railway trade associate themselves with those now taking action, the total claims will amount to many millions.

Next Week Important

Disputes between the railway companies and the operating staffs are expected to reach a near climax next week. At the beginning of next week the running trades will tabulate the result of the strike ballots recently taken among 24,000 members across Canada and, it is expected, a decision will be reached as to what the next step will be.

Preliminary indications are that a majority of the members are voting in favor of a strike. This, however, does not mean that the calling of the strike is necessitated. With the right to call a strike in their hands, the general chairmen, sitting as a general conference committee, can go to the railways with a newer and stronger weapon.

Railways Sitting Tight

Meanwhile the railways are not taking any further action. Their stand is well known and apparently they do not intend to agree to any compromise.

The second development next week will be the sitting of the Board of Conciliation which is to hear the arguments in the case of the Brotherhood of Railway and Steamship Clerks versus the Canadian Pacific Railway. This meeting was originally scheduled for September 14 but on the request of the Brotherhood the hearing was postponed until September 26.

Southern Canada Power Hold Up During August

From Our Own Correspondent

MONTREAL. — Southern Canada Power's operating income for August shows little variation from that reported a year ago. Gross income amounted to $176,409, an increase of $3,605 over August, 1932. Operating expenses, on the other hand, advanced $4,200, so that net income for the past month amounted to $105,362 or $595 less than the $105,957 reported for the same month a year ago.

Cumulative returns for the eleven months ended August, 1933, give Southern Canada Power a gross revenue of $1,934,516, against which were charged operating expenses of $701,847, leaving a net income of $1,232,669. For the corresponding period of the previous year, gross revenues totalled $2,040,454, expenses $763,948 and net income $1,276,506.

Ship Cattle to Glasgow

During the first half of the present year 4,764 head of Canadian cattle, in eleven shipments, were landed at Glasgow. These shipments were sold to butchers and farmers from all parts of Scotland. Angus and Shorthorn, or their crosses, are preferred for Glasgow, says the report.

SAY PLAN MOOTED TO FORM COMPANY TO DEVELOP NFLD.

$21,000,000 Corporation Would Take Over Utilities

Formation of a huge development company to remove the Newfoundland railroad and steamship lines from Government operation and in the course of five years to expend $21,000,000 in exploiting the timber and coal resources of the country is said to be under consideration by the Newfoundland Government, the British Colonial Office and the Royal Commission investigating the financial position of the Dominion, according to a dispatch from Boston appearing in the New York Times.

The plan, which is said to be backed by an English syndicate, contemplates removing the Government as far as possible from business enterprise and applying private initiative to developing great timber tracts and coal areas by the construction of additional railroad facilities, a motor road across the island and a year round shipping port.

Fund From Taxes

As now proposed the plan contemplates creating a fund of about $10,000,000, the major portion of which would be subscribed by the Government through assignment of its excise taxes on flour, sugar, coffee and other commodities. The Government would also be relieved of the operation of the railroad and steamship lines which are now profitless. The total of tax revenue allocated to the fund would be less than the annual deficit in operating the railroad, it is stated.

From the fund, loans would be made to a corporation set up for the development purposes and for the operation of utilities. This corporation would construct a 50 mile railroad extension to St. George's coal field, a motor road and a port development at Lapoile.

Buy Newsprint Paper Expecting Price Advance

Marked Gain in Canadian Output Due Largely to Speculative Buying by American Publishers

From Our Own Correspondent

MONTREAL. — Speculative buying by American publishers, who anticipate an early increase in the price of newsprint, is believed to be mainly responsible for the pronounced increase in Canadian newsprint production in the past two months.

If production figures in themselves are to be regarded as thoroughly reliable, there is every justification for the growing belief that the newsprint industry has "turned the corner."

The rate of increase in Canadian newsprint output in the last two months, however, has been so far out of line with normal trends or past history as to give rise to a doubt as to the genuineness of recent increases.

Room for Doubt

Newsprint is unlike most commodities in that inventories can be measured as so many days supply. Production, shipment and stocks on hand, therefore, bear a close relationship when the trend of consumption is normal. The belief that the marked increase in Canadian production since mid-year is due to a larger consumption is open to question.

Advertising Dominates

Statistical records show that there is a close relationship between the trend of advertising linage and the volume of consumption of newsprint paper in the United States.

Relationship is Noted

Following is the trend of advertising linage in 52 leading American cities, together with the total apparent consumption, for the first half of 1933:

	Advertising Linage in 52 U.S. Cities	Tons Total Apparent U.S. Consump.
January	77,957,000	208,451
February	72,539,000	169,431
March	76,364,000	202,553
April	91,053,000	221,530
May	94,649,000	241,066
June	93,168,000	228,583

Bank Holiday Influence

It will be noted that February consumption appears to be out of line with the trend, the drop in consumption being greater than that which would appear to be warranted by the drop in advertising linage. This is readily explained by the fact that the United States banking holiday occurred at this time, disrupting the normal course of the publishing business.

The trend between consumption and advertising linage in the first half of the year has a normal appearance. In July the Canadian mills report a sharp increase in production and shipments. This should be reflected in consumption in the United States and in advertising linage.

Authoritative records show that the trend of advertising and consumption for July was not in line with Canadian production, while examination of the returns leads to the belief that production was artificially stimulated due to advance buying by American publishers who anticipate a possible increase in the price of paper.

Advertising linage in the 52 American cities for July amounted to 78,319,000, or lower than in April, May and June. The linage approximates that reported for January. It is significant that the apparent consumption of newsprint in the United States for July at 210,765 tons also approximates consumption in January.

Canadian Increase Abnormal

The trend, therefore, as relating to advertising linage and apparent consumption appears normal. But the increase in Canadian production was abnormal. The divergence of Canadian newsprint output from what should be a normal course is explained by an increase of 24,003 tons of paper in the hands of the United States publishers and in transit.

This fact is not apparent from an examination of the mill stocks or shipments. Had the trend of consumption in July bore as close a relationship to production as in the six months previously, the apparent consumption for the month would have been over 230,000 tons and not 210,765 tons, as reported.

The extent to which American publishers have been buying newsprint in anticipation of a price increase will be more apparent when the August returns are available in their complete form.

Shipments by Canadian mills again showed a large increase last month. Preliminary surmises are that the output was excessive in the light of possible consumption. Advertising linage, it is true, moved up from 78,319,000 to 86,338,635, but the total is still below the returns for April to June. On the other hand, shipments of newsprint from Canadian mills in August were more than 30,000 tons greater than in the three month period of April-June, when advertising linage was appreciably higher.

$100,000
Province of Ontario Guaranteed
(Issued by Hydro-Electric Power Commission of Ontario)
5% Bonds due July 1st, 1945
Price: 103.25 and interest, yielding about 4.65%
A further selection of the most attractive available offerings gladly furnished upon request
Wood, Gundy & Company Limited
Telephone ELgin 4321
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Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning and operating mills at
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Pine Falls, Manitoba
Daily Capacity 2,200 Tons Newsprint
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PROFIT ASSURED ON EVERY SALE
The following factors make the operations of Champlain Oil Products Limited unusually favorable:
Long-term contract for its supplies with three large Canadian oil companies.
No large inventories, subject to price fluctuations, carried.
An assured profit on every transaction.
An established patronage for over 70,000 gallons of gasoline and oil per day.
CHAMPLAIN OIL PRODUCTS LIMITED
Cumulative Participating No Par Value Preference Shares
Dividends at the rate of 60 cents a share per annum, payable quarterly, accrue from August 1st, 1933
Price: $7.50 per share to yield 8%
NESBITT, THOMSON and Company Limited
355 St. James Street West, Montreal
Branches in all principal cities of Canada
127

National Steel Car Corporation Limited
Builders of Passenger Cars—Freight Cars—Street Cars—Air Dump and Industrial Cars of all descriptions. Automobile Chassis Frames, Woodwork and Parts—Steel Pressings—Forgings—Drop Forgings.
HAMILTON, ONTARIO, CANADA
621 St. James Street, MONTREAL, QUE.

Jim Davis always telephones ahead
Young Jim Davis has learned the value of Long Distance in selling. Before leaving a town, he telephones ahead to his principal customers in the next town. The result is that he sees everyone he should see according to schedule and the time he would otherwise waste cooling his heels in an anteroom is used in digging up new prospects. No wonder the Sales Manager regards Davis as the most effective salesman on the staff — and the most economical.
ASK ABOUT Short Period Talking Service. It provides direct Long Distance communication for specified daily periods between offices and plants in distant cities. The cost is considerably less than ordinary Long Distance.
THE BELL TELEPHONE COMPANY OF CANADA

LEISHMAN MODEL No. 514L—An expertly styled and strikingly smart two-button sack for Young Men. Notch lapel. Made-to-Measure and Ready-to-Wear.

THE CRAFTSMAN IS STILL WITH US

Even though the world is flooded with machine made products, skilled handwork is still the best assurance of quality in men's clothes. And Leishman Clothes are the true expression of this individual craftsmanship — fine, hand-tailored garments that carry the unmistakeable touch of skilled handiwork — in the soft custom ease of shoulders and sleeves, in the graceful drape of coat and trouser lines, in the smart, shapely appearance that lasts the full life of every garment.

See the new styles, colors, weaves and patterns in overcoats and suits.
Priced $35.00 to $60.00.

Leishman
CLOTHES

SOLD AT THE BEST MEN'S STORES.

San Paulo Coffee Loan 1930 Short Part of U. S. Funds

Owing to the inability of the government of the state of San Paulo to obtain the necessary foreign exchange for the redemption of the entire $1,750,000 bonds, provided for in the contract, the funds on hand after payment of the Oct. 1 coupon will be sufficient to redeem at par on that date $1,453,000 bonds, approximately 83 per cent of the above amount, Speyer & Co. and J. Henry Schroder Banking Corp., United States fiscal agents for the state of San Paulo 7 per cent Coffee Realization Loan, 1930, have announced.

After retirement of these bonds there will remain outstanding $25,586,500 of the $35,000,000 bonds originally issued in the United States, a number of which were sold in Canada.

Metropolitan Chain Bondholders Involved

From Our Own Correspondent

MONTREAL. — Consequent upon the bankruptcy of Metropolitan Chain Stores Inc., holders of the first mortgage 6 per cent convertible bonds of Metropolitan Chain Properties Ltd. are being asked to authorize a reduction of the rental payable from November 1, 1933, to October 31, 1938, under the several leases made by the company to the Metropolitan Chain Stores Ltd. and F. and W. Grand-Silver Stores Inc. as co-lessee. The bondholders are also being asked to waive sinking fund payments on their bonds during the same period.

Similar authority is being asked of the first mortgage bondholders of the Metropolitan Corp. of Canada Ltd.

Robinson and Co. Buy Parish Bond Issues

From Our Own Correspondent

MONTREAL.—J. M. Robinson and Co., of Saint John, were the successful bidders for $38,000 municipal bonds, covering capital expenditures in the parishes of Lancaster and Simonds. The price secured was 100½. The bonds will bear interest at 5 per cent and are for periods of 20 years.

News of Investment Markets

RISE OF DOLLAR NEAR PAR IN U. S. DISTURBS BONDS

West. Provincials Strong — Corporation Bonds Firm But Slow

Sudden advance of the Canadian dollar to near par in the United States appeared to have depressed gilt-edged Canadian bonds slightly in the week ended Sept. 19. The rise of sterling above par in Canada is said to have exerted a strengthening effect on prices. Despite the exchange situation, the market has shown resistance to offerings from the United States, which have been partly offset by British buying.

Western provincial bonds have continued to hold up well, and a number of gains were recorded. Among Canada-New York payment bonds, Alberta 4½'s of 1956 lost one-quarter to 87¼; B. C. 4½'s of 1953 did the same; Manitoba 5's of 1959 gained a point to 91; and Saskatchewan 5's of 1959 gained a point to 89. All these are bids. Bonds payable in Canada only, held even or showed fractional gains.

Corporation Bonds

Corporation bonds showed 42 gains to 32 losses on the bid side in dull trading during the week, according to The Financial Post's quotations. Almost half the losses were among public utility liens. Food, real estate and construction company bonds were inclined to strength. Weaker groups were paper company liens and the utilities, although definite trends were not established uniformly throughout any class of bonds.

The chief bond sale of the week was $100,000 of Halifax 4½ per cent, five-year debentures, funding unemployment relief expenditures. Royal Securities Corp. bought the bonds at 99.157, a cost basis to the city of 4.81 per cent.

In connection with funding of relief costs, a protest was registered by a Toronto alderman against this policy in the Ontario city, when a bond issue was approved. His contention was that the city should pay such expenses out of current revenue. Few comments of this nature have been made by municipal office holders.

T. & N. O. Bid Refused

Only one tender was submitted for $7,500,000 of 4½ per cent, 20-year debentures of the Temiskaming and Northern Ontario Railway, guaranteed by the Province of Ontario. The bid was not accepted, George W. Lee, of the railway commission, indicating that the price was not considered sufficient. Bond dealers contend that T. & N. O. bonds are not the most readily marketable, despite the provincial guarantee, and that the price was, therefore, considerably below what would be bid for a provincial issue. The purpose of the call for tenders was to fund a floating liabilty created in 1932 by completing the extension of the road to Moosenee on James Bay. Banks have lent the railway some $7,000,000 on this account.

Revised figures for The Financial Post's average yield on seven gilt-edged Canadian bonds show absence of trend during the week. The average is based on offering prices, and figures are changed slightly from those published in the previous week. To date, September has seen the cessation of the August rise of prices. This is believed to have been due to somewhat disappointing budget figures, disturbed exchange rates, and the impending Dominion conversion loan.

The trend of yields, the inverse of prices, is shown below:

Average Yield on Seven Canadian High Grade Bonds

	%		%
Sept. 19	4.397	Sept. 7	4.374
Sept. 18	4.381	Sept. 6	4.364
Sept. 16	4.373	Sept. 5	4.357
Sept. 15	4.373	Sept. 1	4.364
Sept. 14	4.383	Aug. 31	4.359
Sept. 13	4.381	Aug. 15	4.409
Sept. 12	4.393	Aug. 1	4.447
Sept. 11	4.386	July 15	4.488
Sept. 9	4.381	July 3	4.509
Sept. 8	4.379	June 1	4.467

Latest word from Ottawa regarding the conversion operation is that the interest rate, amount and maturity dates are being withheld for decision until immediately before the flotation. Advance publicity on the financing may be forthcoming at any time. The loan is expected to be announced by Oct. 15, at the latest, unless conditions alter materially before then. It may come earlier. The most disturbing factor in the situation at present is the inflationary plans of the Roosevelt administration in the United States. Further price-raising moves from Washington, which are expected at any moment, might interfere with the conversion to some extent.

Bond Sales

City of Halifax

Royal Securities Corp. has bought $100,000 of 4½ per cent, 5-year debentures at 99.157, a cost basis to the city of 4.81 per cent. Bids were as follows:

Royal Securities Corp.	99.157
Dominion Securities Corp.	99.06
Fry, Mills, Spence & Co.	98.77
A. E. Ames & Co.	98.67
Wood Gundy & Co. Eastern Securities	98.26

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Calgary Brewing	§5%	1942	Nov. 1	105
Northern Electric	*5%	1939	Dec. 1	105

§Purchase of bonds for sinking fund $10,900.
*$190,100 redemption for sinking fund.

Bond Tenders

5 p.m., Oct. 2, Buckingham, P.Q.—$20,600, 5 per cent bonds dated Nov. 1, 1933, redeemable serially from Nov. 1, 1934 to Nov 1, 1963, to reimburse general fund for moneys spent on public works. H. J. Gorman, sec.-treas.

Investment Notes

Consolidated Industries

PROSPECTS for a good radio business during the season that has just started are reported to be good and combined with the better showing during the earlier part of the year may enable Consolidated Industries Ltd. to show a slight profit as compared with operating loss of $451,412 experienced in the year ended March 31, 1933. Shipment of new radio models to dealers has been retarded in some degree by a strike of cabinet makers which has also affected other manufacturers. Sales of automobile sets have been highly satisfactory.

* * *

Tip Top Tailors

WHILE payment of the quarterly dividend due October 1 on the preferred stock of Tip Top Tailors Ltd., has not been announced as yet and is therefore not definitely assured, it is reported that earnings in the current year are substantially ahead of earnings in 1932. Net earnings in 1932 were $33,268 before provision for depreciation amounting to $125,366. This year it is expected that depreciation reserve will be fully earned and that preferred dividend requirements will be covered in large part. Volume of business has been in excess of that in 1932.

* * *

General Steel Wares

IMPROVED earnings from the wares division of General Steel Wares Ltd. combined with lower operating costs, resulting from economies effected in the past two years, are expected to result in an operating profit for the company in the present year. In 1931 operating loss was $349,407 and in 1932 loss was $167,543 before provision for depreciation or bond interest. If present business continues, operating profit in 1933 may be in excess of $200,000, or approximately half of bond interest requirements. During 1932, $851,000 of six per cent mortgage bonds were redeemed and during the current year the company has also taken advantage of conditions in the bond market and retired a further substantial amount of bonds. During the past six months there has been some activity in the common stock which rose from a low of 70 cents per share to a high of $6.50 per share late in June.

* * *

Milling Competition in Orient

PROSPECTS of increasing competition for Canadian, Australian and Japanese millers in the Orient are foreseen by millers if the code submitted at Washington by the Pacific Coast wheat and milling interests is accepted. There is an estimated 40,000,000 bushel surplus of wheat stored in far Western warehouses in the United States and the code asks for bounties working to the benefit of both exporters and growers. The bounty asked is stated to represent the difference between the Chicago market level and the foreign selling level and to be sufficient to meet competition.

In recent years the United States has been almost eliminated from this market. Up until 1929, the shipping lines carried about 570,000 tons of flour alone. In 1932 only half this amount was carried and for the first half of 1933 only 34,300 tons. Both a bounty and a resulting processing tax are asked for by far western milling and wheat interests.

* * *

Crops and the C. P. R.

PROSPECTS of a short crop in the West have had a bearish influence on the market value of the Canadian Pacific ordinary shares. Government and private estimates are generally agreed that the wheat yield will run under 300,000,000 bushels. This is substantially less than last year. One encouraging factor in the crop situation, however, is the better export demand. The movement through the Montreal Harbor Commission elevators in the past week has been more encouraging. If the export demand is maintained a good proportion of the new corp may move to the head of the lakes or to the coast and not pile up in country elevators. An improved export demand, however, is hardly likely to make any direct difference in the revenue derived by the railways from moving the crop.

* * *

Imperial Tobacco

IN ITS own quiet way the common stock of Imperial Tobacco Co. of Canada has been steadily appreciating in value and at the current level of 11½ is not far short of its all-time record established in the 1929 bull market. Judging by the Government figures on tobacco entered for consumption, the fortunes of Imperial Tobacco have been on the increase. The number of cigarettes and cigars, as well as cut tobacco, entered for consumption in the past few months has been on the upgrade; so much so, in fact, that a continuation of the present trend would in all likelihood provide Imperial Tobacco with more business in 1933 than was the case in 1932.

* * *

Power Corp.

POWER CORP. OF CANADA'S annual statement for the year ended June 30 last will make its appearance in the second week of October. From official and semi-official sources it is learned that revenues for the last year were not overly satisfactory. Income is said to be sufficient to cover senior charges and dividends on the preferred stock. Little or nothing will be available on the common shares. The market value of the company's portfolio should be higher. Earlier in the year it was said that the company's investments had a value of over $30,000,000, which represents an increase of more than $5,000,000 over that reported a year ago. The new change in capital, reducing the value of the common shares, will not be reflected in the 1932-33 report as it was not approved by the shareholders until after the year closed.

* * *

Car Companies

EXPECTATIONS in some quarters that the railways will again be in the market for new rolling stock, has given some speculative interest to the shares of National Steel Car and Canadian Car and Foundry Co. The former are currently selling at 14½ and the latter at 7½. Present plant operations are on a greatly restricted basis and prospects of anything like substantial earnings for the current year are negligible. It is difficult to say at this time whether or not the railways will be in the market for new equipment in the near future. Both the Canadian National and Canadian Pacific Railways could do with new rolling stock, but in view of their finances it is unlikely that anything will be done unless the Federal Government comes forward with some assistance on account of relief work.

* * *

Dryden Paper

A STEADY demand has developed lately for the shares of Dryden Paper Co., current sales going through at 6½. Operations of the company are said to have been on a better basis for the last several weeks. The market price for sulphate pulp and kraft paper has strengthened materially since the beginning of the year. There has been a fair amount of advance buying of the company's products and both the volume of business and earnings for the present year are expected to show an increase. No dividends have ever been paid by the present company on its capital stock. Prior to the break in the paper market, Dryden was well on the way toward developing a substantial earning power.

* * *

B. C. Power

DESPITE the fact that it has been generally known for some time that B. C. Power's financial statement for the year ended June 30 last would not show the dividend earned on the Class A stock, this security has experienced good market support. Official earnings for last year equalled $1.53 on the A stock, or 47 cents a share less than the dividend paid. The stock has been selling around 26, providing a yield of little under 8 per cent. It would not occasion any surprise if the management were to reduce the dividend to either $1.50 or $1 a share.

* * *

Canadian Cottons

LITTLE interest has been shown in the stocks of Canadian Cottons and other cotton textile companies though plant operations have been on a much better scale than was prevailing a year ago. On top of that, prices have increased and earnings are reported to have improved. Since the middle of the year all of the cotton textile people have experienced an improvement in the demand for their products. Canadian Cottons plants are now operating around 70 to 75 per cent of capacity. The limited floating supply of the stock is probably the principal reason for the lack of market interest in the security.

* * *

Brazilian and Coffee

AS REPORTED some weeks ago in The Financial Post, Brazilian shareholders were somewhat encouraged by the news that the Brazilian Government had doubled its coffee burning programme in its fight to lessen the large export surplus increased excessively by a record crop. Knowing that the unwieldy coffee surplus has to disappear before exchange conditions can get to a point where Brazilian can export cash to pay its dividends on a regular permanent basis, any news about poor coffee crops, or disappearance of surplus to any extent will be good news to a shareholder until the situation is finally regulated.

That possibility is somewhat strengthened by further reports of drought in various districts where the new crop is being tended. Coffee went up in price on this news, coming on top of the report of the doubling of the Government's burning programme.

* * *

Pete May Gain Most

THE rise in crude oil prices in the United States, which resulted in an increase in gasoline prices south of the line and also an increase in Canada as well, is being followed with great interest in Great Britain and Europe.

The United States oil industry will have to have the support of chief producers elsewhere. It is understood that through the influence of Standard Oil, International Petroleum and other leading companies producing in South American countries may be counted on. In fact, for years their production schedules have been held down to agree to the arrangements made tentatively in world discussions some years ago by leaders of world companies.

In Europe, in order to keep the price of crude oil up, the co-operation of the Roumanian oil fields will be necessary. Some time ago the chief interests in the Roumanian oil fields stated that if the United States succeeded in controlling both price and output they would fall in line. These interests were not willing to agree to a price-fixing programme alone and it was the inability in the United States to control output under previous arrangements which prevented Roumanian aid. Early accession to the International agreement by the Roumanian interests is now expected.

Russia will be the only country not subject to control if the Roumanians come in. However, the quantity of oil available for export in Russia has been steadily diminishing and is not thought to be of as much moment as it was, whether the Soviet authorities consent to cooperate with other producers or not.

In Great Britain the fixing of price and output in the United States is considered of paramount importance. Most English financial comments are that on that basis there can be a complete restoration of the industry throughout the world.

If that occurs it should be of great importance to International Petroleum which sells in world markets at world prices, it should help British American Oil Co.'s wells in Oklahoma and East Texas. First beneficiaries must be primary producers.

* * *

British Canning More

IN VIEW of the increasing bid made in recent years for the British market by some Canadian canners, it is interesting to note that the British themselves expect to fill more of the domestic demand in future. Reports indicate that the canning season for fruits and vegetables grown in Great Britain has been favorable. The crops have been good and it is believed that the products of the canning factories will substantially exceed the total for the corresponding period of last year.

This is encouraging for the British canner and it does not cut out the Canadian canner by any means. In 1932 there were signs that the creation of factories, now some 80 in number, was outstepping the grower's ability to supply them. Since that time there has been official discouragement to the over-enthusiasm which often characterizes a new industry. It is believed that this official discouragement to quick expansion will have beneficial consequences to all concerned.

Investors Chronicle and Money Market Review says there is no room for a number of new canning enterprises as the truth is that the industry has still to feel its way. The balance must be preserved between the grower's output and the factory capacity and there are many considerations yet to be explored. The extent of the willingness of the British population to consume the home-canned products has not yet been sounded nor has the full demand possible from British subjects in the tropics been estimated. It is stated that there are already good customers for the British canned products and canners express themselves satisfied with the quality of the English fruits and vegetables which they are canning.

This cautious approach, however, indicates that in specific lines overseas Dominions can yet hope for a good market.

Can. Western Lumber Sales, Income, Higher

Canadian Western Lumber Co. manufactured 57,352,116 bd. ft. of lumber in the first half of 1933 as compared with 52,221,754 bd. ft. in the first half of 1932. Sales exceeded manufacture, being up to 57,818,982 bd. ft., as compared with 49,012,042 bd. ft. in the same period of 1932. Average price for lumber sold in 1933 was $11.77 per M. bd. ft. against $12.53 per M. in 1932, but due to the larger volume sold the company realized $679,796 in 1933 as compared with $614,248 in the first half of 1932.

Shipments from the mill on the Fraser River were heavy in July and August indicating that improvements in the current year have been maintained. There is yet no indication as to whether interest charges will be covered in the current year. In 1932, the company drew on reserves to the extent of $178,373 to meet interest on first mortgage debenture stocks and other obligations while sinking fund installments were deferred.

Canadian Western Lumber

July—	1932 feet	1933 feet	Increase feet
Lumber mfd.	6,786,605	8,082,000	1,295,395
Lumber sold	7,469,752	12,154,000	4,684,248
Price realised	$93,642	$168,015	$74,373
Aggr. mfd.*	59,008,838	65,434,150	6,425,312
Aggre. sold*	56,482,271	69,973,032	13,490,761
Price real'd*	$707,890	$848,012	$140,122

*From Jan. 1 to end of July.

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BOND JUDGMENT

The ability to judge the trend of bond prices requires a wide experience and a high degree of special knowledge.

We have selected certain securities of leading organizations in the industrial life of the Dominion which we believe will command much higher market prices as the present progress in the business cycle is maintained.

We would be glad to make suggestions upon request.

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Investment Bankers
350 Bay Street - Toronto
Adelaide 4274
Ottawa - St. Catharines

BLUE RIBBON GROSS HIGHER NET PROFIT DOWN

Write-offs Larger; Working Capital is Improved

Slight increase in operating profit by Blue Ribbon Corp. in the year ended June 30, 1933, over the previous year was more than offset by increased income tax reserve and write-offs on stocks and bonds of customer companies. Net profit of $70,510 compares with $79,521 shown in 1932. Earnings amounted to $2.45 per share on the 28,795 shares of $50 par value preferred stock outstanding as against $2.76 per share in 1931-32. Since no dividends were paid on common shares, surplus was increased by $12,920 and working capital was improved.

Income and surplus account of the company for the past two years is as follows:

CONS. INCOME AND SURPLUS ACCT.
Years Ended June 30

	1933 $	1932 $
Operating profit	130,982	128,813
Less: Deprec.	30,000	30,000
Income tax res.	15,372	8,792
Reval. of secs. of customer co.	15,000	10,000
Net profit	70,510	79,521
Less: Pref. divds.	57,590	75,587
Common divds.	....	74,265
Surplus for year	12,920	*70,831
Add: Prev. surplus	42,340	139,993
Inc. tax prior yr.	....	27,321
Balance forward	55,260	42,341

*Deficit.

Chief change in current position is increase in inventories which are up to $771,145 from $700,514. Cash is down to $28,143 from $45,837; accounts receivable down to $297,510 from $304,345. Bask loans remain practically the same at $146,123 while accounts payable are down to $69,144 from $82,042. Working capital position is as follows:

Working Capital

	1933 $	1932 $
Current assets	1,096,798	1,058,775
Current liabilities	215,267	229,634
Working capital	881,531	829,141
Ratio	5.09—1	4.61—1

Stocks and bonds of customer companies have been written down to $54,433. Land, buildings, machinery and equipment are carried at $1,242,482 subject to depreciation reserve of $161,558 sufficiency of which is questioned by the auditor. Trade marks, etc., remain at $268,638. Payments under agreements with Willards Chocolates Ltd. are carried as an asset to the amount of $19,577. Deferred charges amount to $14,387 and organization expenses to $14,588. In addition to the preferred stock, on which dividends were in arrears by $54,000 on May 1, 1933, there are 63,475 shares of no par value common stock. Contingent liabilities include $41,334 of customers' paper under discount and conditional liabilities total $354,742 on account of agreement with Willards Chocolates Ltd.

Note: See Page 2 for information as to how a complete analysis of this company can be obtained.

Alexander Bldg. Declares Payment on Income Bonds

From Our Own Correspondent

MONTREAL. — Directors of Alexander Building, which recently went through a reorganization plan placing the first mortgage bonds on an income basis, have declared an interim distribution of 1½ per cent on the income bonds, payable October 1. This covers the six months' period from April to September and brings the total payments to date this year up to 2½ per cent.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal—	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Halifax	Sept. 13	Royal Securities Corp.	4½%	5 yr.	$100,000	99.157	4.81%
Cobourg, Ont.	Sept.	C. H. Burgess & Co. and J. L. Graham & Co.	5½%	20-ins.	40,000	101.75	5.28%

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues—	Date Issued	Offered By	Rate	Class	Amount	Price	Yield
Trans-Canada Shares	Sept.	Bird & Talling	....	Series A	......	....	....

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Hatter to gentlemen for over half-a-century

Toronto Approves Bonds

Council of the city of Toronto has approved debentures of $1,100,000 to defray part cost of the city's share of direct relief administration. An aldermanic protest was registered against this method of deferring payment for relief expenditures.

Rare Opportunity Available for Senior Position or Understudy with Investment

It is seldom an opportunity exists whereby a well established Canadian Manufacturing Corporation doing business over a quarter of a century is in a position to couple with an investment a suitable position.

The Company concerned enjoys unexcelled GOOD WILL with thousands of dealers from coast to coast, and the result is not only steady but increasing business.

To take advantage of a sound expansion policy extra capital should be added to the firm's equipment. Fortunately, one with the capital available to make this desirable connection may be provided the privilege of taking part in the direction of the Company's affairs.

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TORONTO, SEPTEMBER 23, 1933

THE BANKS' ATTITUDE ON CREDIT CONTROL

J. A McLEOD, president of the Canadian Bankers' Association, makes an interesting suggestion when he submits as an alternative to the establishment of a central bank in Canada a proposal for reconstituting the treasury board as an administrative board composed of experts in finance and currency. Their job would be to administer the functions now assigned to the quasi-political treasury board, to control credit in Canada by managing the Finance Act and generally to manage the country's monetary system.

The suggestion is notably similar to conclusions reached by the writers of the two series of articles on central banking which appeared in The Financial Post some time ago. Readers will recall that the first series of articles was written by a well-known economist and monetary authority. The second series of articles was written by a leading Canadian banker. Between the two series of articles all the pros and cons of the central banking controversy in Canada were thoroughly probed.

After the two writers got through exploring their subject they had reached a middle ground wherein their differences of opinion were so slight that they could have been resolved in a thoroughly workable compromise. The economist came to the conclusion that the treasury board might be reconstituted as an independent body of experts; that it might be made a more effective instrument for giving the country a monetary policy. He did not feel that it was necessary to set up a full-fledged central bank to effect a notable improvement in Canadian monetary management.

The banker came to the conclusion that Canada would benefit if it had a body of experts established under a permanent economic advisory committee to give some direction to borrowing under the Finance Act to study the country's needs and to advise the Government on all matters of internal and external finance.

In broad outline, these proposals were exactly those that Mr. McLeod now makes. It is to be hoped that the Macmillan committee in studying Canada's monetary management will give some consideration to such moderate proposals, which offer the possibility of a simple solution of the central banking controversy without involving the country in the serious hazards involved in establishing a brand new and possibly unwieldy monetary institution, such as the type of central bank many people think we should have.

It is unfortunate that the bankers did not officially make this proposal many months ago. They have continued to argue that Canada's monetary management was thoroughly satisfactory and that the country did not need any change of the present system. Now they admit that some change is necessary but in the meantime public opinion has been pushed so far ahead of them by the monetary quacks that their proposal is likely to be generally regarded by the theoreticians as too slight a concession from their former unbending attitude to be worthy of attention. Had it been offered a year ago the Government might have been willing to adopt it and we might have had some improvement in the machinery board devising and operating monetary policy in Canada at the last session of parliament. By reason of being so late with their proposal the banks have greatly reduced the possibility of it being accepted.

Sir Charles Addis's sarcastic reference to the proposed committee as a "fifth wheel" for the coach was hardly in keeping with the open-mindedness the public has a right to expect from the commission. It suggests that he has already made up his mind on the problems he has undertaken to study.

AIMING CRITICISM AT WRONG MARK

DURING his current visit to Canada Sir Herbert Samuel, leader of the Liberal parliamentary group in Great Britain, has on several occasions defended the action of himself and a handful of his Liberal colleagues in resigning from the National Government because of the Ottawa agreements.

Sir Herbert declares that the British Government, in sending delegates to Ottawa, undertook to ensure that, in any agreement effected there, no additional barriers to the enlargement of international or Empire trade would be erected. Rather the tendency would be to lower existing tariffs between Empire countries to compel a larger movement of goods Empire-wise. When the agreements were finally drawn up, according to Sir Herbert, they revealed that tariff reductions were very few and very limited in scope; on the other hand, provision was made for stimulating Empire trade only by the process of tightening the tariff walls against other countries. With such a policy, the laissez faire free trade Liberals of Great Britain could not agree and they withdrew from the National Government in protest.

A number of Canadian newspapers have taken a view of the Ottawa agreements similar to that of the Samuel Liberals in Great Britain. Notable among these papers are the Winnipeg Free Press and the Toronto Daily Star. The Liberal leader in Canada, Rt. Hon. W. L. Mackenzie King, has likewise criticized the Ottawa agreements on the ground that they imposed new trade barriers instead of sweeping away some of those already in existence.

There is one basic point that seems to be overlooked by Sir Herbert Samuel. Great Britain has adopted the policy of protection for her industries. This policy was only in the making at the time the Ottawa Conference was held and the new tariffs that Great Britain has introduced have been the result of the basic change in her policy and not the result of the Ottawa Conference.

Sir Herbert Samuel has the right to disagree with the adoption of the policy of protection in Great Britain. Disagreeing with that policy, he was thoroughly privileged to withdraw from the National Government and in fact could hardly have held firmly to his own political views and remained in that government. But to blame the Ottawa Conference for the adoption of the policy of protection in Great Britain is to confuse the real purpose of that conference. At Ottawa, a way was found for exempting British Dominions in large measure from the application of the new British duties and its success, therefore, is a factor in lowering the average level of British tariffs below what it would otherwise have been.

It is unfortunate that the Samuel Liberals, in opposing protection in Great Britain, should concentrate their fire upon Imperial preference which is a policy that should be dear to their hearts.

THE BOND BUSINESS AND THE BANKS

CANADIAN investment bankers last week put their case for restriction of the banks' security dealings before the Royal Commission on banking. W. C. Pitfield, president of the Investment Bankers' Association of Canada, presented the views of the bond dealers. From Lord Macmillan's comment during the course of the evidence, it appears that some recommendation in connection with the banks' activities in the bond business will be made by the commission.

The difficulty, as Lord Macmillan stated, is to draw the line of demarcation between commercial and investment banking. Mr. Pitfield, in his submission, stated that banks should only act as agents in bond dealings with customers. He suggested that they should not underwrite, advertise or sell any corporation securities, and even municipal and Government bonds. Lord Macmillan summarized the bond dealers' case:

> Lord Macmillan: "I think you have raised a very fair question." The difficulty that has arisen in Canada has been due to the fact, it seems to me, particularly in regard to public issues, that the banks have been utilized to some extent because of their widespread ramifications in assisting in raising money, and have engaged in underwriting with the consequence that they may have got left with some part of the issue, and what you object to is that they have not merely done what bankers might properly do, but have entered into the sphere of your business."

W. C. Pitfield: "I think that is a fair submission."

In the case of corporation bonds, banks would do well to avoid underwritings of such securities, in view of some unsatisfactory experiences in the past. But banks should be able to execute orders, as agents, for all types of securities. Many investors demand it.

As to financing Governments and municipalities, there is something to be said for gradual cessation of some underwriting by banks. Certain types of municipal issues can be handled efficiently by dealers with their present organizations. But there are some provincial and Dominion issues in which distribution by banks is almost a necessity to ensure success. In a country as scattered as Canada, the banks' services cannot be overlooked.

The interests of investors and borrowers are of prime importance in considering restrictions of banks' security dealings. It would appear reasonable that banks should be asked to give up certain phases of their activities and that investment bankers must reconcile themselves to the banks remaining in the bond business to some extent.

SOCIALISM'S AIMS IN CANADA

MISS McPHAIL'S proposal to put King George's head on all our bank notes reveals one of the purposes of the new Socialist group in Canada. They want the Government to take over the issuance of all monetary instruments in this country as the first step in the direction of nationalization of banking. This in turn would be followed by nationalization of all economic functions in the country — except agriculture. "It is neither possible nor desirable to socialize agriculture" says Miss McPhail, who is above all desirous of being re-elected in her rural constituency. The Socialists in Canada would be regarded by their brethren overseas as a rather spineless lot. They reveal only those tenets in their doctrine that they think will be popular and they carefully conceal those that they are afraid they cannot cram down Canadian throats.

Not so with the English Socialists who make no denial that their objective is complete "Socialism in our time" and then the entrenching of that Socialism by the jettisoning of the ordinary safeguards of Democracy.

Some of the most menacing potentialities in the Canadian Socialist programme may be concealed but they are inherent in the programme just the same.

It is foolish to attempt to reassure ourselves with the thought that the Canadian people would not stand for the dictatorship that is involved in the Socialist programme. One of the most trenchant paragraphs in Calvin B. Hoover's new book "Germany Enters the Third Reich" is this:

> "When the writer first observed terror in action in Russia he was inclined to come to the comforting conclusion that it met with little resistance because of the long experience of the Russian people with it in one form or another. It would be as easy to come to the conclusion that terror has had its way without opposition in Germany because of the long tradition of Prussian discipline . . . . But a most disturbing point exists in the writer's mind whether the situation would be very different in any land if the state power was ever firmly in the grasp of a sufficiently ruthless group."

MILD CREDIT INFLATION

IN AN attempt to revive the flagging recovery effort, the United States is carrying out "open market" operations to inflate credit and force money into productive uses. Several previous attempts to revive business by credit inflation have failed in the United States since 1929, but there are elements in the present situation which have so altered the picture that it is not entirely safe to forecast the results of the present policy from the results of previous attempts.

The credit inflation, which is yet on a modest scale, suggests no very liberal use of the extraordinary powers granted to the president to cheapen the American dollar. No inflation of currency, by printing additional banknotes for general introduction into circulation other than by normal channels, has yet been attempted. Nor has the president indicated any immediate intention of devaluing the dollar, as he has power to do, and thus ending the depression in six days (or is it six months?), as Prof. Stephen Leacock, the famous McGill University humorist, has declared to be possible from such an action.

BRITISH CAPITAL NOT FOR CANADA

SIR HERBERT SAMUEL told Toronto that Great Britain has vast sums of capital awaiting investment and that Canada is welcome to it.

A number of Canadian corporations offering good security to the investor are perhaps better informed on this subject than is Sir Herbert. Following the successful flotation of the Dominion loan in London different Canadian institutions attempted to borrow but were told by the advisers of the treasury that no additional permits for the flotation of Canadian issues in London could be issued at the present time. These would-be borrowers were not debarred from the London market by lack of security or attractiveness in their offerings and they were not turned down by London financial houses. They were turned down by the Treasury.

Britain is attempting to safeguard the pound and to put itself in a position to manage it, come what may. British capital is not available for Canada at the moment. But it will be again in due season.

THE FORGOTTEN ISSUE

LIBERALS in Ontario are trying to make the next election issue the operations of the Ontario Hydro-Electric System.

The Conservatives, now in power, are reported to be planning a "beer and wine" or "beer by the glass" plank in their platform to force the election to be fought out on that issue.

Does neither party realize that there is a much larger issue at stake in provincial politics, in Ontario just as elsewhere in Canada? This is the problem of how to give relief to the taxpayer, by reduction in governmental expenditures. This is the first issue in Government in Canada today. Business men and investors should insist upon it being treated as such.

EDITORIAL NOTES

Hitler headsmen are "usually butchers by trade," it is announced. It's the day of the specialist.

* * *

Apparently Canadian newspapers cannot agree whether in the wheat agreement Mr. Bennett scored a bull's eye or perpetrated a bull.

* * *

Eaoin O'Duffy, leader of the Irish Blue Shirts, spells his name that way. It is not a typographical error.

* * *

If the September immigration figures show a large increase, ignore it. It will simply reflect the annual movement of "amateur" football players to the eastern teams.

* * *

It will be interesting to see which Canadian football team produces the first entirely "All American" line up.

POST-scripts

AROUND Toronto every one is chuckling over the classic story told by Raymond Moley at the Liberal Summer Conference at Port Hope. Perhaps there are people elsewhere who have not yet heard the yarn, and so we reprint it here in Prof. Moley's own words:

> "Now I come to the policies we are following in Washington. These policies have been undertaken because we have felt that quick and deliberate and positive action was absolutely necessary."
>
> "We claim no perfection. I am reminded of a story of my good friend, Al Smith. He was in a small town in the Northern part of New York state, during his campaign for the governership, on a cold Sunday morning. There was a strong wind blowing. Half of the Smith party were members of a church that is rigorous in its demands in regard to attendance at Sunday morning mass. Al was one of them. The other half of the party were of various and sundry religious beliefs They were lying securely and warmly in their beds. Al got up, dressed in the cold and made ready to go to church. As he reached the front door, he turned around and contemplated the people resting in comfort for a moment and said, 'Wouldn't it be hell if they were right and we were wrong.'
>
> "All I can say about our programme is this. We are up and dressed."

HAVING strongly entrenched itself in Manchukuo, Japan is proceeding to a vigorous economic development of the country. The South Manchuria Railway Company has issued a little booklet outlining this Far Eastern five-year plan. A most ambitious programme of development of railways, harbors, rivers, roads, telegraph services, and air transport is outlined in great detail. Modern city planning is to put into effect in the larger centres. Guidance and encouragement is to be given to the cultivation of farm products. Acreage devoted to cotton, wheat, tobacco, etc., will be increased. Superior grades of livestock will be introduced. The forest will be put under more scientific management. Fishery resources will be fostered to culture increase. The mines will be unified and certain key manufacturing industries will be developed.

The monetary basis of the country is to be reorganized, patent laws will be promulgated. Generally, Manchukuo will be changed, according to these plans, from a backward country to one of the more progressive modern nations.

What amuses one about the performance is not the programme, which is well conceived and possibly not at all beyond the ability of the Japanese dictators to carry out. Rather it is the fact that the programme is presented as that of the Manchukuo government and no reference whatsoever is made to Japan beyond the one statement that "recognizing the close economic inter-dependence between Japan and Manchukuo emphasis will be placed on securing co-operation between the two nations." This is the very essence of diplomatic language.

In presenting the programme to the people of Manchukuo, an appeal is made to their religious sentiments. Manchukuo, it is pointed out, was established in accordance with lofty ideals following the extinction of the old corrupt military regime. The government has continued ceasingly to remedy the dismal state of affairs that prevailed under the former rule. Efforts have been made as "an independent state" to strengthen the ties and friendly relations with "neighboring countries." The basic principle which underlay the founding of the state was to conform to the will of heaven and to give security to the people. And so the government is proceeding to create a peaceful land for the 30,000,000 people of our country.

Apparently we are going to see things moving in Manchukuo, but it is also obvious that the directing hand of Japan is to be concealed from the people as far as possible.

Sayings of the Week

"I'm an old man and if I smiled, people would think I was pretending." *—John D. Rockefeller.*

* * *

"Never before in its history has this nation had greater need for courageous bankers." *—President Roosevelt.*

* * *

"If the Nineteen Twenties were confusing, the Nineteen Thirties are likely to be more so." *—Owen D. Young.*

* * *

"I do not think public worship has any attraction for the young." *—Honor Rose, 18-year old daughter of an English naval chaplain.*

* * *

"It seems at present to be a point of honor among pianists to get as many notes to the square inch as they possibly can." *—Sir Henry Hadow.*

* * *

"The time is not far distant when the men will be relegated to the domestic sphere and the women will run our business." *—Holbrook Jackson.*

* * *

"We have sent to Geneva far more than our share of personages who have left an impress of ignorance and stupidity." *—Prof. P. E. Corbett, McGill University.*

* * *

"Many businesses today try to do too much, and the successful business at present is the one that caters consistently for the public at its doors." *— F. C. Scase (Swan and Edgar, Ltd.)*

* * *

"Regard daily papers, broadcasting, the cinema, cocktail-parties as corruptions that may easily become bad habits, and if you cannot amuse yourself for hours in solitude, know that you are in a bad way." *—Osbert Burdett.*

* * *

"Some of the old prehistoric reptiles were as big as three elephants and had a brain the size of one thumb. I hope that the world is not at present in that state, with problems the size of three elephants and brain power only the size of one thumb." *—Sir Herbert Samuel, M.P.*

* * *

"Banking support must follow industrial recovery and restoration of confidence, rather than precede them if it is not to assume unjustifiable risks. The country has suffered far more from the over extension of credit than from the lack of it, and to add unwarrantedly to the burden of indebtedness would not expedite recovery, but retard it." *—Francis H. Sisson, president, American Bankers' Association.*

The World at Large

An Occasional Department Discussing World Economic Affairs That Affect Canada

By F. S. C.

Hitler and the Nazis

NATIONAL SOCIALISM in Germany is a mass movement and it is an error to believe that it is a product of Adolf Hitler; to think that Hitler is merely a demagogue with a remarkable talent for propaganda and organizaton. So concludes Calvin B. Hoover, who has just completed a remarkably thorough history of the rise of the Nazi dictatorship in Germany and an analysis of the movement.

As a mass movement, National Socialism bears an important resemblance to Communism in Russia. But there the resemblance ends. Communism, throughout the world, derives its force from the masses of the urban proletariat. In Nazi-ism, the masses are the ruined aristocracy, the over-burdened lower middle class, the discontented peasants, and the youth of the universities, inflamed against a world which offered them no future. These groups, Mr. Hoover contends in his new book, "Germany Enters the Third Reich," infected by the mob psychosis, have been swept into a movement characterized by enthusiasm, passion and hate. There was no coherent, simple and definite philosophy or programme at first. But now that the party is in power their philosophy and their programme have begun to assume form. Vague yearnings are becoming planks in a platform.

* * *

MR. HOOVER, who won no little fame by his previous study of "The Economic Life of Soviet Russia," warns us that the countless acts of violence against unresisting men, the denial of freedom of speech and press, the measures against the Jews are not to be judged by what we consider "normal" standards. They must be considered as evidence of the radically different state of mind which now exists in Germany.

Attempting an analysis of National Socialism, Mr. Hoover makes it clear that the party objectives are opposed to the democratic principle, whether in the economic or the political field. The principle of leadership is substituted.

There is among the Nazi leaders a contempt for legality, which can be understood when one realizes the fanatical character of National Socialism.

* * *

ONE of the party's most fundamental principles is insistence upon the decisive rôle of race. The Nazi believes that the Germanic or Nordic race is superior and most fitted to rule. It must assume world leadership; it must have room to expand. A strange doctrine it is for a nation that includes less than 10 per cent of truly Nordic population. But while that is the theory of it, the application today obscures the core of the philosophy. Everyone is, for the moment, considered Aryan, (a general term that is made for current purposes to serve as a definition of the Nordic), so long as he is not a Jew.

In the party programme is ample scope for improvement of the Germanic race. Public posts are to be "cleaned" of non-Nordics. The position of the peasants, whose population contains the largest percentage of pure Germanic blood, is to be improved. Women will once more be confined to their place in the home, to become child-bearers. Physical training and military sports are to be fostered. The unfit are to be sterilized. And the Jews are to be hated and persecuted.

* * *

MR. HOOVER devotes a great deal of space to studying the essential motives in the Anti-Semitism of the Nazis. He points out that the Nazi leaders offer conflicting explanations of this racial antipathy. There is some superstition in it. There is much jealousy The Jews were the successful business men, doctors and even public servants. Nazi leaders contend that Jews never became Germans; they did not assimilate. To the National Socialist the Jew stood as the foremost representative, as well as the root cause, of everything evil in post-war Germany.

Mr. Hoover thinks that anti-Semitism had at first an economic basis, that all the charges against the Jews were emotionalized out of this. The Jews got along they were smart enough to turn even the inflation and then the depression to advantage. The Jew became the logical personal devil upon whom all the troubles of Germany might be saddled.

* * *

CLASS warfare, on the Russian plan, has no place in Nazi philosophy. Rather the "iron fist" is to be used to harmonize conflicting interests in German society. In Germany there was hostility to Capitalism and hostilty to Communism. The middle class sought an alternative in hysterical and militant Natonalism.

Nazi youth are trained, Mr. Hoover indicates, in the belief that Germany is hated by all the nations which surround her and have stolen her territory. They are told that only by war can Germany find room to expand; the youth are taught to glorify death in battle. Pacifists are the objects of the deepest contempt. The Russian spirit is much alive; student duelling is encouraged.

Nazi leaders hope for a national religion but their efforts at spiritual "gleichshaltung" have been abortive. There has been discussed the possibility of establishing a new religion substituting the Norse Sagas for the old Jewish Testaments.

* * *

MR. HOOVER'S volume is divided into five parts; a background of the bafflement of the German people in the post-war years; a comprehensive account of the rise of Hitler and the Nazis, with a sifting of the evidence in the surprising onrush of events that culminated in the firm establishment of the new régime; a study of the social principles of National Socialism, (the only division of the book, summarized in this review); an analysis of the economics of the movement, and an appraisal of the possible international consequences.

"Germany Enters the Third Reich" is published by the Macmillan Company of Canada, Toronto at $3. It bears the marks of having been completed about two or three months ago; nevertheless, it covers the Nazi history up to the time when Hitler was able to declare that the revolution was completed.

In the Mail

Governments and Pensions

Editor, The Financial Post:

Your search for information on the retirement question is most interesting to your many readers and I sincerely hope you will keep it up until the whole question is thoroughly aired, and the public know just what is the best plan. The time is coming, in fact is here now, when it will be one of Canada's big problems.

Fifty years ago the bank employees and a very few civil servants in the government enjoyed a pension. The I.C.R., only government-owned railroad at that time had about eight men on the list of civil servants. Today, the world is looking for pensions of some kind. It would be interesting to know just how much federal, provincial and municipal governments are paying out in the way of pensions. much of it established, some of it, especially in municipalities, dealing with individual cases. Towns and cities pension retiring servants by resolution, and not as an established rule, but that has got to come. Corporations may take care of themselves, and adopt what plans they please.

I do not quite agree with the plan adopted by the Imperial Oil Company of retiring employees at sixty, and members of the executive at sixty-two. A dozen young men might be taken on at the beginning, and not one of them be capable of replacing the retiring man of sixty-two, who might be in his very prime.

My purpose just now is to appeal to governments who will have to work out these big pension schemes, to use the best judgment and ability they are possessed of, in the interest of taxpayer as well as recipient.

M.

Moncton, N.B., Sept. 11, 1933.

Other Peoples' Views

A British View on Lumber

The Economist, London—The Canadian Government, not content with having so worked the Ottawa agreements as to increase British purchases of Canadian goods and decrease Canadian purchases of British goods, is now attempting to organize the British timber market in favor of Canada. Mr. Runciman is at the moment engaged in trade negotiations with the Soviet, and Mr. Bennett is understood to have made the suggestion that a reduction of Soviet timber imports by one-half should be provided for in the agreement. It will be recalled that Mr. Bennett succeeded in introducing into the Ottawa agreements a blatantly ad hoc clause to the effect that if any of the preferences arranged were "likely to be frustrated" through "state action" on the part of a foreign country, steps should be taken to prohibit imports from that country. We trust that the government will not give way to this kind of pressure. Quite apart from the value of the Russian market to the British exporter—foreign markets are becoming increasingly important, as our exports to Canada and the rest of the Empire dwindle—It must never be forgotten that cheap timber of the best quality is essential to the solution of the housing problem. The opportunity for real success in slum-clearance and housing in this country has been brought nearer than ever before by the present cheapness of essential building materials. To throw away this opportunity in the interests of Canadian timber producers would be, to put it mildly, a piece of inexcusable folly.

Methods of Relief

Simcoe Reformer — Premier Henry has given timely assurance that direct relief will remain in effect in Ontario. His statement was in correction of an impression given out by a member of his cabinet that direct relief would be discarded in favor of the former system of public works as relief measures.

Neither the federal nor provincial treasury, much less the municipalities, are in a position to withstand the inroads which the latter policy would entail.

Canada has already had a sufficient taste of the experiment to realize that it is unduly expensive.

"Stop Me If You Have Heard This One"

A ventriloquist, unknown in the community, had attended a negro funeral, and Mose Jackson was telling all about it afterwards.

"Jes' as dey begins to lowah de corpse in de grave," as Mose recounted, "dat stranger throwed his voice down dat hole an' says, 'Lemme down easy, boys'."

"Did they go ahead and bury him?" a listener asked.

"How does Ah know. Ah didn't stay long after dat corpse starts talkin'."

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SUPERFINE LINEN RECORD

The Week in Business

The Higher Wage Fallacy

THE theory that higher wages are a necessary forerunner of a return of prosperity—a basic one in the United States NRA campaign—has spread to the British Trades Union Congress. That general wage increases must be effected as a sine qua non of economic revival was one of the claims made at a recent meeting of the Congress. Commenting on this attitude of organized labor The Economist, London, deplores this lapse from lucidity of thought. It states further:

"In this issue—for all that leading speakers, including fraternal delegates from the U.S.A., expressed only guarded optimism as to American prospects—the Congress appears to have been in grave danger of being hypnotized by the superficial attractions of the still unproved Rooseveltian wage programme. The General Council might well have thought more clearly or spoken more courageously. Had it told the Congress that in our export trades wages are necessarily limited by the purchasing power of foreign customers; that an increase of nominal wage rates even in sheltered industries is fruitless if it results in a proportionate increase in living costs; and that, since profit margins are a relatively trivial source on which to draw higher wages preceding, not deriving from, increased production are apt to result merely in greater unemployment—the General Council would have gained in honesty what it might have forfeited in popularity."

* * *

Retail Food Prices Lead

A MARKED increase in retail food prices is one of the most interesting features of the August price indices compiled by the Dominion Bureau of Statistics. Based on the average of 1926 equals 100, the August index of 67.8 marks a rise of 4.6 points from July and is the highest figure recorded since the middle of 1932. This large increase is sufficient to increase the cost of living index to 78.6, or only slightly behind the highest point for the year, recorded in January.

Gradually, it would appear, the higher levels of commodity prices are being felt in the retail trade. Bread has already advanced following the increase in wheat prices. All types of farm produce were either steady or moved higher in August, the advances in butter and eggs being seasonal and new potatoes commanding better prices. Meats of almost all kinds were slightly lower than in July but this group has already made a substantial advance from the low point reached in the spring.

* * *

Setback for Carloadings

OVER 7,400 fewer cars of grain were handled by Canadian railways in the week ended September 9 compared with the corresponding week a year ago and, as a result, the total of car loadings of all kinds of merchandise for the week was considerably below the 1932 figure. Loadings were also decreased from the previous week, every single type of merchandise being lower.

While loadings of grain were greatly below the 1932 figure, other types of merchandise increase. Coal was greater by 1,905 cars, lumber by 550 cars, pulpwood by 588 cars and ore by 376 cars. Merchandise loadings, however, were lower. The index number of loadings, adjusted for seasonal variations, declined from 70.2 to 65.19. The reduced level, however, is somewhat above the average for the year.

Business Briefs

Carloadings in the week ended September 9 amounted to only 41,027 cars, a decrease from the previous week's loadings of 4,519 cars, and the index number declined from 70.2 to 65.19.

Failures in the week ended September 9 numbered 10 as compared with 39 in the corresponding week a year ago. For the year to date failures are 357 or 24 per cent less than in the corresponding period of 1932, the comparative figures being 1,118 and 1,475.

Building Permits issued in August amounted to $1,927,882 as compared with $2,148,497 in July and $3,823,251 in August a year ago. There was therefore a decrease of 10.3 per cent in the first comparison and 49.6 per cent in the second.

Excelsior Value Down

Value of the excelsior or wood wool manufactured in Canada in 1932 was $143,011 compared with $186,846 in 1931. There were ten establishments, four being in Ontario, two each in Quebec and Manitoba and one each in Alberta and British Columbia.

Poplar and basswood form the chief raw material. The use of poplar in this industry is important from a forestry standpoint as it provides a market for what is, in many places in Canada, a tree weed. As the supply of poplar is more than sufficient to provide for its present uses, the development of this industry depends entirely on market conditions.

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Business Conditions in Canada

DROP IN GRAINS HALTS PRICE RISE IN PAST MONTH

Spread Between Manufactures and Farm Produce Again Widens

Wholesale prices showed a slight recession in August, according to the compilation of the Dominion Bureau of Statistics, due principally to a decline in the prices of vegetable products. Almost all types of grain and flour were quoted at lower levels than in July and this had the effect of causing a drop in the index of all commodities from 70.5 to 69.4.

Over 500 items are included in this index of wholesale prices, on the basis of 1926 equals 100. The August results show that 87 quotations were higher, 90 were lower and 325 remained unchanged.

Group Changes

Vegetable products, non-ferrous metals and non-metallic minerals were the groups to decline, the former dropping all the way from 69.8 in July to 65.7. Other groups gained, the increase in every case being comparatively small. Indices of these groups compared with the previous month and with August a year ago are shown in the following table:

Wholesale Price Indices
(1926 = 100)

	Aug., 1933	July, 1933	Aug., 1932
Vegetable products	65.7	69.8	55.6
Animals & products	59.8	59.6	58.6
Fibres, textiles, etc.	71.1	70.6	69.4
Wood & wood products	63.4	62.9	69.4
Iron & products	84.5	84.2	86.1
Non-ferrous metals	68.0	69.9	57.3
Non-metallic minerals	83.8	83.6	85.7
Chemicals	81.9	81.4	83.4
Total	69.4	70.5	66.7

Halt Stable Trend

Narrowing of the spread between wholesale prices of manufactured goods and farm produce, which has been one of the chief features of the recent price advance, was halted in August by the slide of farm produce prices. The setback increased the spread to 14.8 points as compared with 11.3 points for the previous month. In regard to the recession of farm produce prices, however, it should be noted that only grains declined, livestock quotations being slightly higher in August than in the previous month.

Commodity Prices

	Week ending Sept. 16	Previous week	Same week last yr.
Cattle, cwt.§	$5.25	$4.75	$6.00
Copper, lb.	.09	.09	.06¼
Cotton, lb.	.0970	.0885	.0680
Rubber, lb.	.0719	.0650	.0345
Sugar, raw, lb.	.0361	.0361	.0308
Silk, lb.	1.97½	1.85	1.75
Wheat Man.) bu.°	.68¼	.69⅛	.50⅝
Hides, lb.	.13	.12	.08½
Coffee, lb.	.07¼	.07¼	.09
Weekly Indices			
N. Y. Annalist‡	103.8	102.9	95.7
Fishers'	♦71.1	70.9	†62.0
N. Y. Journal of Comm.■	71.3	69.4	59.9
Crumps (Brit.)*	64.5	64.5	♦62.4
U. S. Labor▲	69.7	69.6	65.5

† Average, 1932.
‡ Week to Sept. 12.
*Week to Sept. 9.
▲ Sept. 2.
♦ Sept. 16.
§ Sept. 14.
° Sept. 16.
■ Sept. 16.

Monthly Indices

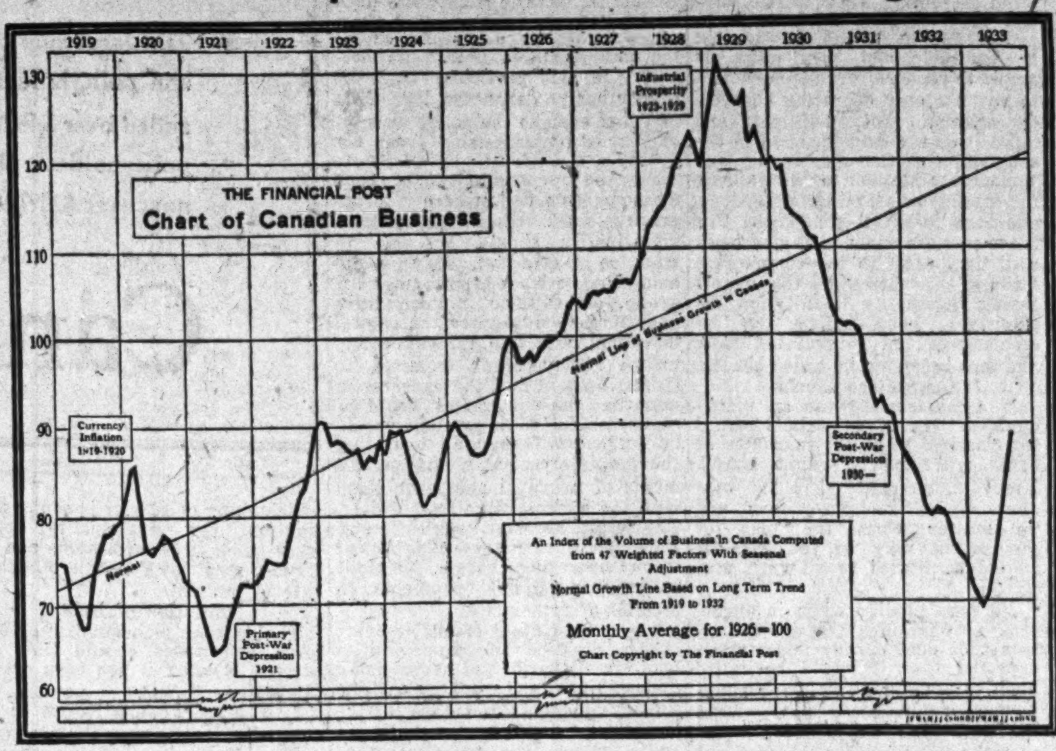
	Latest w'sale	Prev. month	Same month last year
Canada (D.B.S.) (August)	69.4	70.5	66.7
Retail (August)	78.6	77.2	81.4
U. S. Labor (July)	68.9	65.0	64.5
Gt. Brit. (July)	69.0	68.6	65.9

‡ Basis of price quotations is as follows: cattle — steers, good, over 1,050 lbs., top price, Toronto; copper — electrolytic, New York; silk — Japanese, 13-15, New York; sugar—96 degrees centrifugal c/f New York; wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Exports of Rubber Higher

The export of rubber goods in July was valued at $709,139 compared with $538,852 in June and $554,744 in July, 1932. The largest item was pneumatic tire casings which numbered 40,632 at $279,750 going chiefly to British South Africa, Brazil, Spain, Colombia, New Zealand, British East Africa and China. There were 221,000 pairs of canvas shoes with rubber soles, more than half going to Great Britain, and 177,000 pairs of rubber boots and shoes, most of which also went to the United Kingdom.

Business Improvement Continues in August



The advance in Canadian business operations in evidence subsequent to March was continued during August as indicated by The Financial Post preliminary index of the physical volume of business based on 28 factors. Twenty of the available factors showed gains in August after adjustment for seasonal tendencies. The index was 88.4 compared with 84.3 in July, mineral production, foodstuffs, forestry and carloadings being among the factors determining the gain in the index. Construction was an industry which failed to advance in any large way, and exports dropped from the high level of the preceding month.

Business Gain Continues Though Commodities Weak

The Financial Post Business Index Makes Further Gain in August — Twenty of Twenty-Eight Available Factors Advance

By SYDNEY B. SMITH

Preliminary information indicates that business operations in Canada made a further important gain in August, continuing the spectacular advance in evidence since March of this year. The continuance of the expansion is an interesting fact in view of the setback experienced on speculative markets. Stock and grain prices after reaching a maximum on the present movement about the third week in July reacted rather sharply, the outcome being that the averages for August were below those of the preceding month. Indexes of common stocks and of wholesale prices were consequently somewhat lower for August than for July; but the weekly trend on the stock market has been constructive and a considerable portion of the ground lost in the reaction was recovered during August.

Strength in high-grade bonds was characteristic of August, a new high point being reached since the third quarter of 1931, when Great Britain was forced off gold. The advance in high grades is regarded as a constructive development, leading automatically to an improvement in the credit situation. The advance in high-grade bond prices and the further gain in business operations were the brightest spots in the picture of Canadian economic conditions during August lending justification to the hope that we are now on the road to business recovery with only a slight chance of turning back.

Gains Four Points

The preliminary Financial Post business index was 88.4 in August compared with 84.3 in July. The compilation was based on 28 factors out of the 47 used in the preparation of the final index.

Mineral production made a much better showing in August than in July. The manufacture of foodstuffs was in considerably greater volume and the greatly increased activity in the paper and lumber industries was a matter for elation. The record of carloadings indicated a much heavier movement of railway traffic. The construction industry, on the other and, was decidedly in the red, and exports were somewhat less than in July.

Of the six factors available indicating the trend of mineral production, five showed gains in August. The exception was the export of nickel which showed a decline from July, but was still at a remarkably high level. Exports in August were 8,443,800 pounds compared with 10,501,100 in July. The comparable figure for August, 1932, at 1,022,000 pounds indicates the transformation effected in the nickel industry. Exports of copper ore and blister from Canadian mines were 7,660,200 pounds compared with 3,734,900 in July, a sharp gain being recorded even after seasonal adjustment. Zinc exports were 15,817,900 pounds representing an important gain over the preceding month.

Gold and silver shipments showed gains, the gold total being 211,062 ounces compared with 192,740. Asbestos exports of better grades were 8,342 tons compared with 6,259.

Milling More Active

The index of foodstuffs production moved up from 88.5 in July to 100.1 in August. The milling industry was more active in the last month for which statistics are available, adjusted gains being shown in each of the principal products. Wheat flour production was 1,322,900 barrels compared with 1,186,000, while the output of rolled oats was 10,030,000 pounds compared with 7,721,000. The manufacture of sugar was heavier in the last four-week period, the total being 88,000,000 pounds compared with 57,000,000. Cattle and sheep slaughterings were heavier in August while hogs lagged a little. Cheese exports were off, while canned salmon increased from 1,724,500 pounds to 4,318,400.

Boot and shoe production showed further moderate gain after seasonal adjustment in the latest month for which statistics are available, the index being 121.6 compared with 118.8.

The four indicators of the trend in the paper and lumber industries showed unanimous gains both over July and over August, 1932. The output of newsprint was 194,262 tons compared with 180,387, the adjusted gain being more than 8 p.c. The gain in woodpulp exports was less than normal for the season. Exports of planks and boards were 128,459,000 feet compared with 116,179,000, and the external shipments of shingles were 258,000 squares compared with 206,000.

Construction Slack

Activity in the primary iron and steel industry was about maintained in August, steel production showing a slight decline, while a gain was recorded in pig iron. The level of operations was much greater than in the corresponding month of last year.

New business obtained by the construction industry reacted again in August. Contracts awarded were only 29.4 p.c. of the average for 1926 and building permits were at the low point of 15.9 p.c. of the base period. The value of contracts was $9,479,900 compared with $12,651,000 in July.

Carloadings were a bright spot in August, the total being 185,555 compared with 162,728, the index after seasonal adjustment moving up from 62.6 to 67.9.

External trade made a fair showing in August. Imports being $38,747,000 compared with $35,738,000. Exports failed to come up to the high standard of July, but a gain was shown over August, 1932. After adjustment for seasonal tendencies and price changes, the index for imports was 65.0 compared with 59.7 in July, while that of exports was 65.1 compared with 71.5.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (Sept. 9)	41,027	44,278	1,305,357	1,467,623
C.P.R. gross earn. (Sept. 14)	$ 2,454,000	$ 2,649,000	$ 73,798,000	$ 80,726,000
C.N.R. gross earn. (Sept. 14)	$ 3,455,341	$ 3,115,000	$ 96,142,829	$ 105,340,680
	Monthly			
C. P. R. net earn. (July)	$ 1,368,380	$ 859,708	$ 6,229,521	$ 6,111,587
C. N. R. net earn. (July)	$ 820,466	$ 208,708	$ ‡2,158,515	$ 829,076
Iron and Steel—				
Pig iron, tons (July)	31,689	7,317	67,899	84,518
Steel, tons (July)	49,076	27,506	179,540	207,994
Automobiles prod., No. (July)	6,540	7,472	44,802	47,141
Auto Vehicles—				
Passenger, sales, No (July)	4,569	3,473	30,091	30,716
Trucks & buses, sales, No. (July)	571*	544	3,502	5,082
Auto exports, No. (July)	1,790	1,540	10,504	4,659
Construction—				
Building permits (July)	$ 2,082,302	$ 4,412,169	$ 12,189,591	$ 28,753,213
Contracts (August)	$ 9,479,900	$ 12,688,500	$ 55,043,800	$ 99,989,800
Newsprint—				
Production, tons (August)	194,262	157,919	1,268,833	1,304,65"
Exports, tons (July)	167,302	131,780	974,539	1,065,226
Sugar—				
Imports, raw, lbs. (July)	83,271,100	95,841,700	308,021,000	420,967,800
Melt. & ship., lbs.*	95,927,975	107,288,072	432,449,942	487,046,541
Manufactured, lbs.*	88,089,347	101,700,245	425,380,281	468,083,842
Flour—				
Production, bbls. (July)	1,322,923	1,201,965	7,565,309	7,134,414
Wheat flour exp., bbls. (June)	544,507	570,861	2,564,662	2,372,216
Other Industrial Indices—				
Lumbering: Plank & board exports, mill ft. (July)	116.18	37.85	458.68	445.83
Boots and shoes, pr (June)	1,965,647	1,559,192	8,823,892	9,129,585
Petroleum, imp. crude, gal. (July)	118,271,494	104,209,139	381,537,889	555,187,131
Cotton, imp., raw, lbs. (July)	9,790,000	3,590,000	50,556,000	53,693,000
Rubber, raw, imp. lbs. (July)	2,670,000	3,425,000	18,748,876	30,096,659
Coal, imports, tons (July)	1,239,698	1,054,454	5,170,187	5,445,332
Gasoline sales, gals. (May)	42,190,000	47,307,000	149,766,000	161,805,000
Trade—				
Imports (August)	$ 38,747,030	$ 36,527,262	$ 242,821,524	$ 314,285,344
Exports (August)	$ 44,723,282	$ 41,814,120	$ 302,162,260	$ 306,435,613
Wheat exports, bus. (July)	16,373,532	19,620,224	99,742,109	87,825,296
Labor—				
Employment Index (Aug.)	87.1	86.3	......	......
Electric Power—Output—				
M. Kilowatt hours (July)	1,442,660	1,155,581	9,525,955	9,082,064
Finance—				
Failures, No. (June)	158	175	1,139	1,236
Failures, Liabilities (June)	$ 3,794,000	$ 2,987,000	$ 20,821,069	$ 20,414,169
Bank debits† (July)	$ 3,527,824	$ 2,175,590	$ 16,723,096	$ 14,712,584
Bond sales (August)	$ 92,412,225	$ 9,419,968	$ 248,656,175	$ 198,402,806
Insurance sales (July)	$ 30,255,000	$ 34,469,000	$ 208,373,000	$ 253,002,000
Automobile Financing—				
Used cars (July)	$ 989,713	$ 1,228,019	$ 6,823,445	$ 8,684,978
New cars (July)	$ 1,138,620	$ 1,246,578	$ 6,818,331	$ 9,045,515

*Four weeks period, July 22 to Aug. 12. †(000's omitted). ‡Deficit.

TRADE COLLECTIONS SHOW IMPROVEMENT

Volume Being Well Maintained in Most Centres

Weekly trade report of the Canadian Credit Men's Trust Association, for the week ending September 16, is as follows:

Halifax—No appreciable improvement is reported as yet in wholesale and retail trade although merchants generally consider outlook promising. Collections fair on current accounts.

Saint John — Reports indicate wholesale trade seems to be improving and prospects are brighter. Retail trade for the week just fair. Collections generally somewhat improved.

Montreal—Wholesale groceries in fair demand; dry goods continue to show a slight improvement; boots and shoes very fair; clothing and ladies' wear somewhat quiet; hardware fair. Retail city merchants report a somewhat brisker week's trading, country trade also reported better. Collections: wholesale still slow—retail slow but improving.

Toronto — Continued summer weather has created a tendency to retard business but orders for dated shipments are reported to be fairly good. Boot and shoe trade fairly good; men's clothing has quietened down; millinery trade expects usual seasonal improvement; ladies ready-to-wear and mills moving fairly well. Building trade reports considerable optimism based on the new agreement between the Federal and Provincial Governments in regard to construction. Collections fair.

Winnipeg — Wholesale grocery trade reported as holding up very satisfactorily; dry goods and boot and shoe lines showing some improvement, and the millinery trade report the usual seasonal improvement. Hardware fair. Retail trade for the week reported as fairly good. City collections fair; country showing a slight improvement.

Regina—Wholesale grocery trade reported slightly better than for the same period last year; dry goods fairly good; hardware averages about the same as last year. Both city and country retail trade for the week reported as fairly good. Wholesale collections on current accounts satisfactory but very little improvement as yet in old outstandings. Retail city collections, fair to slow; country—few collections being made to date.

Moose Jaw — Wholesale and retail groceries continue fair; dry goods and boot and shoe lines fairly good; wholesale and retail hardware fair. Collections fair.

Saskatoon — Wholesale grocery trade report volume of sales continues satisfactorily. Hardware and oil trade report a slight falling off in sales during the past week. Boot and shoe trade good, with quite an improvement over the past few weeks. Dry goods report volume is holding up fairly well in comparison with that of last year. City retail trade has been very good. Country trade fair to good. Collections show a little improvement.

Calgary—Wholesale groceries continuing in fair demand. Other lines including retail hardware, dry goods, boots and shoes, moving very slowly. Country business awaiting returns from threshing. In many districts merchants only taking in enough cash to cover overhead.

Edmonton — Wholesale grocers, hardware and manufacturers report steady improvement; retail trade since the opening of school has shown considerable increase. Collections continuing to improve with noticeable activity on old outstandings.

Vancouver—No change reported in trade conditions over the past week. Generally speaking all lines of trade in the wholesale business report a fair volume and showing signs of improvement. Retail trade report an increase possibly due to the summer holidays being over, and the fall weather. Collections on current purchases remain fairly good.

Canadian Herds Increased in 1930 Census Shows

In 1930 there were 2,242,241 calves raised on Canadian farms, according to a new census report by the Dominion Bureau of Statistics. As against this 2,046,428 cattle, all classes, were sold or slaughtered during the census year. This means that 195,813 animals were added to the herds of Canada. The number of sheep increased from 1,296,158 in 1921 to 1,425,298 in 1931, a gain of approximately 10 per cent. In the case of swine and poultry, the conditions are the same, showing that the animals sold or slaughtered were more than replaced by the young animals raised.

In 1930 the value of livestock raised on farms and sold alive amounted to $106,941,204 as compared with $147,054,314 in 1920, a decrease of $40,113,110 or 27.2 per cent. The livestock slaughtered on farms amounted to $45,541,183 in 1930 as compared with $67,072,056 in 1920, a decrease of $21,530,873 or 32.1 per cent during the decade. A comparison of animals sold in 1930 with animals raised in the same year shows that 130,191 colts and fillies were raised and only 6,411 were sold. The census of 1921 showed that 194,533 colts and fillies were raised in 1920 of which 10,510 were sold. In both years the number retained on farms was greater by a large margin than the number sold in the census year.

Window Glass Imports Mostly from Great Britain

For many years most of the common window glass used in Canada has come from Belgium. Up till 1932 the supply from that country was twenty million square feet out of a total of twenty-three million. This year, however, has brought a great change. During the first four months of the present fiscal year the importation from Belgium has dropped from ten million square feet to 3,416,000, while the supply from the United Kingdom has increased from 220,000 to 2,043,000.

Quantities from Czechoslovakia and United States have been decreasing, but those from France and Germany have been increasing.

OTTAWA DELAYS SIMPLE DECISION TIN PLATE DUTY

U. S. Steel Ceased Making It in Canada May 31

Is tin plate made in Canada? The Department of National Revenue at Ottawa has been trying for over three months to find out and ostensibly knows no more about the answer now than when it began.

Growing criticism of the "Made-in-Canada" division of the Department of National Revenue because of its dilatory methods and its alleged unfair, if not interested, decisions is being voiced in business circles. This branch of the government service, which is under the supervision of R. W. Breadner, Commissioner of Customs, gives rulings as to whether goods are made in Canada or not. The significance of this is that goods ruled as made in Canada are subject to dumping duty, while they are not so dutiable, if ruled as not made in Canada. In the present period of unsettled world currencies, dumping duties have assumed formidable and, in many cases, prohibitive, proportions.

U. S. Steel Closed Plant

Perhaps the most outstanding instance of the dilatory and unfair methods pursued by this branch of the customs service is in respect to tin plate. Tin plate is not made in Canada and yet it is subject to dumping duty. Some few years ago when the Canadian Steel Corporation at Ojibway, Ont., a subsidiary of the United States Steel Corporation, began the manufacture of tin plate the customs authorities ruled it was made in Canada, and thus made it subject to dumping duty when imported. On May 31 last, the Canadian Steel Corporation discontinued making tin plate and advised the government to that effect. Manufacturers using tin plate petitioned for the cancellation of the ruling that it was made in Canada so that the dump would not be levied on their imports. The Department of National Revenue has turned a deaf ear to these petitions, not failing to state, however, that the matter is under investigation and will be decided at the earliest possible moment.

No Delay Justified

There is nothing requiring lengthy investigation. There was only one maker of tin plate in Canada, and it told the department it was ceasing manufacture last May. It is understood it has no unsold stocks on hand and is not interested in having the dumping duty continued.

Rumors are circulating that certain interests who are powerful in Cabinet circles wish, for undisclosed reasons, to have dumping duty collected as long as the public will stand for it. In the meantime, producers and processors of food products and other users of tin plate, which is extensively used in making tin cans, are paying the shot, and, of course, charging it up ultimately to the buying public.

Mr. Picobac Discusses Fisherman's Habits

Mr. Picobac's duties as an investigator of pipe-smoking conditions in Eastern Canada had finally brought him to the harbour of Saint John, N.B. Here he encountered a Bay of Fundy Lobster Fisherman seated on a dock-side "nigger-head" smoking a cold pipe and gazing at the ebbing tide.

"I see you have one of my regular habits," exclaimed Mr. Picobac, genially.

"And which of your regular habits is that?"

"Letting my pipe go out."

"I've run out of tobacco," explained the fisherman.

"Allow me," said Mr. Picobac extending his handy pocket tin of Picobac with old-world politeness: "The pick of Canada's Burley crop, grown in sunny southern Ontario."

"'It's a mild : : : cool : : : sweet smoke,'" quoted the fisherman with a grin as he helped himself liberally: "Picobac is another one of my regular habits."

* * *

Mr. Picobac having finished his tour of the East, will now journey to the far West. He finds Picobac makes friends everywhere. Try it yourself. Get a tin to-day. On sale where tobacco is sold.

—and don't forget, you get more tobacco for your money.

Good for making cigarettes, too.

Handy Pocket Tin, 15¢
—also in ½ lb. Humidor Tins

"IT DOES TASTE GOOD IN A PIPE!"

Picobac

IMPERIAL TOBACCO COMPANY OF CANADA, LIMITED

July Imports of Coffee

Jamaica was the chief source of Canada's supply of green coffee in July, the quantity being 853,930 pounds out of a total of 2,193,600. Other large quantities came from the following: Brazil 599,330, Colombia 260,882, British East Africa 219,824, United Kingdom 104,825, British Guiana 39,810, Trinidad 29,400, Venezuela 28,434, Mexico 24,861, Abyssinia 22,071.

QUICK CLEAN HEAT

o o o o

IN THE metropolitan area of Toronto, industries requiring heat in their processes know the merits of gas. It is a fuel which will do *any* job requiring heat and will do that job more quickly and efficiently and at a lower cost per heat unit than it can be done by any other fuel, new or old.

Gas is the modern method of procuring heat because research men, engineers and production managers are constantly discovering new uses and adaptations.

GAS IS A LOW-COST FUEL FOR SEVERAL REASONS.

1. Appliances are simple. They are economical to install and require a minimum of servicing and replacement of parts.

2. Excepting for a service charge of 50 cents per month, there are no extra or minimum charges, no "stand-by" fees, no payment for heat units whether used or not. The sliding scale of rates for gas relate entirely to the quantity of gas used—there is no distinction in classes of service, nor hours of use.

3. The service is reliable, whether the demand is for a little gas to boil a tea kettle or for a large quantity to run a factory on a full production schedule.

THIS company maintains an industrial department the function of which is to consult with users and prospective users of gas for industrial purposes to determine the means of using gas to the best advantage. Executives will find that their inquiries receive careful attention and that the recommendations made by our staff are based on the company's desire to maintain the goodwill of its customers by satisfactory service.

The Consumers' Gas Company of Toronto was created by special act of the Parliament of Upper Canada some nineteen years before Confederation. The company always has endeavoured to serve the public well, in the belief, justified by events, that by this means the investment would remain satisfactory. Today the investment rating of this company is not excelled by that of any other enterprise in North America and the position of the company as an operating entity is as good as any in the entire gas industry.

The Consumers' Gas Company
of Toronto

Taxes, Costs, Debt Need Close Control

Municipalities Advised to Consider Better Tax Collection Methods—Increase in Funded Debt Too Large For Growth of Population

By THOMAS BRADSHAW
President North American Life Assurance Co.

Why should there not be instituted in every municipality, not merely in Ontario but in every province across the Dominion, a National Municipal Tax Day—a definite day in the year, say the first of May, when it will be known that on that day at least the first installment of taxes is due and payable in every municipality in Canada. If it were firmly impressed upon our citizens that year in and year out municipal taxes were payable on this date, ratepayers would become conscious of the maturity date and would make special provision to meet their tax obligations promptly on that day. The press would also be conscious of it and would bring up, from time to time, editorially or otherwise, this particular day as the one in which citizens had to make provision for municipal Government. Such a plan would do away with all excuses for delay in issuing tax bills and would set a reasonably early date for the payment of at least a portion of the year's taxes.

Failure to Collect Taxes

A poor record for failure to collect taxes promptly affects municipal credit. Among the first enquiries that the shrewd investor in municipal securities makes today is:

1. What percentage of current year's taxes is paid within the year?
2. What is the percentage of tax arrears?

Recently a financial corporation holding bonds of one of our oldest eastern cities where credit had stood high was approached to purchase further bonds of a new issue this city had just made. In investigating its record of tax collections it was surprised to find that at the close of 1930 accumulated tax arrears were 61 per cent of the year's levy; that in 1931 this had increased to 66 per cent of the 1931 levy and in 1932 accumulated arrears comprised 82 per cent of that year's levy. What was the result?—the institution decided not to increase its investment but to sell the bonds it had. Now if this became general, there is no doubt that it would seriously affect the city's credit and the market price of its bonds and make it extremely difficult and costly to obtain new money for capital undertaking.

Again, failure to collect taxes means heavy bank loans, and heavy bank loans mean heavy interest charges; heavy interest charges mean increased taxes, and increased taxes lead to increasing arrears and increasing arrears lead ultimately to default. To maintain our high municipal record we must see that our revenue is promptly collected.

Bank Borrowings

There is a tendency for some rural municipalities to delay the date for payment of taxes until the fall of the year. It is true, in many cases that the farmer's income is received after harvest, and yet this is changing through the mixed character of his production, so that income is being received more or less regularly throughout the year. It is believed that even in most rural communities taxes could be made payable earlier than at present. By advancing payment by one month for several years the deficit referred to has been successfully corrected.

In the case of Ontario counties, legislation provides that the municipal levy shall be paid to the county on or before December 20, in each year. If the municipality collected its own taxes in installments, county levies could also be paid in installments with the result that county borrowings and bank charges would be greatly minimized.

In one rural municipality taxes were made payable in December. This meant that eleven months expenditures were incurred, and had to be met by advances from the bank. In this case the year's expenditures amounted to about $400,000 and this amount was borrowed before one cent of the year's levy was received. Bank interest on the above amounted to $25,000 for which an additional tax levy had to be made.

Unbalanced Budgets

Unbalanced budgets, that is an excess of expenditures in the year over actual cash receipts on revenue account for the year, must at all hazard be avoided. If, however, a deficit in the year on current account should arise it should be budgeted for in the following year and satisfied out of the cash receipts of that year, and if a temporary loan has been obtained for this deficit, it should be liquidated promptly. It is surprising to note a number of "new issues" of debentures for the purpose of paying off accumulated deficits. This practice, when followed, means:

1. A lowering of the municipality's credit, for no conservative investor would think of purchasing the security of a municipality that acknowledges it cannot raise a sufficient amount yearly to cover its annual expenditures.
2. The capitalization of money expended for current purposes necessitating taxing ratepayers twice for the same expenditures.
3. The establishing of a capital debt for which there is no corresponding capital asset. We cannot maintain our high record if this practice is permitted to continue.

Relief

The last three years have seen a comparatively new item of current expenditures in municipal budgets, that is relief for those unfortunately thrown out of gainful occupations. Fortunately for the municipality, Federal and Provincial Governments have borne the major share of these expenditures. Those which the municipality assume are a current item and should be met out of current revenue. In some of the major cities, where unemployment has been very large, the whole burden of the year has been found almost too heavy for the ratepayers to provide during that year. In these cases, there is perhaps justification for borrowing through the issue of short term debentures, running not more than five years, for an amount not more than 25 per cent to 50 per cent of the city's net relief cost. Abuse of this principle of borrowing has been observed in several instances—recently a municipality issued and sold debentures to liquidate relief costs to an amount of $30,000, the debentures to run for 18 years and on the objectionable and unsafe sinking fund plan. From now until 1951, the ratepayers of this municipality will be called upon to provide for the services on this particular debt and there is no guarantee that it may not be repeated in succeeding years unless unemployment disappears. These debentures were offered to an investor in municipal securities but he promptly turned them down because of the long period and because they were issued by the sinking fund method.

Educational Costs

If our municipal credit is to be maintained, there must be greater control over expenditures for education. As a result of criticism by ratepayers and others during the last few years, there have been some decreases, but the reductions made have not been in keeping with the reduction which has taken place in other departments. There has not yet been evidence of a realization of the seriousness of the situation. On the average no less than $40 out of every $100 of taxes levied by municipalities is absorbed for educational purposes.

It was pointed out in connection with a governmental investigation recently made, that since 1914 the cost of education in Canada had increased by 275 per cent.

It is quite true that in the last three or four years some school boards have recognized: (1) that educational costs are unjustifiably high, (2) that the reduced income of the ratepayers necessitates a reduced outgo for all necessary expenditures including taxes. The result of this recognition has been that educational costs in some cases have shown a decrease. Unfortunately, debt charges occasioned in not a few instances by the erection of too costly school structures are, fixed, but the balance of school expenditures in practically every municipality is capable of substantial reduction.

There is no gainsaying the fact that the more enlightened a community, the better is the character and intelligence of its citizenship. Few would deny that our children should be well equipped for the battle of life. But is it not a fact that we have gone too far in the erection of super buildings to carry on our academic work? Have we not incorporated in these buildings and the grounds surrounding them, services and facilities which are not absolutely essential in acquiring a sound education? Our school boards in our various municipalities should be as deeply interested in the establishment of reasonable tax rate—one that the ratepayer can pay—as are those administering purely municipal affairs. They cannot but realize that conditions have changed in the last three years, that the taxpayer is not obtaining the revenue from his property, nor yet is earning moneys himself which he formerly did, and therefore that he has not the means to meet taxes as formerly. Let me quote the actual experience of a municipality, containing several school sections, including one large collegiate institute and a large public school, that realized the changed condition and acted promptly. Its expenditures for 1932 amounted to $160,000. Those for 1933 have been set at $128,000, a reduction of 20 per cent. Not one teacher was dismissed and the same standard of efficiency was maintained. For years, expenses had been gradually increasing through increase in salaries and the introduction of services, which while admirable from one point of view, were not essential.

Increase in Capital Debt

Then again, school boards must realize that they cannot always depend upon the receipt of the whole of the levy made by the municipality for school purposes. If it should have a poor collection, say 75 per cent, it cannot indefinitely continue to pay to the school board, 100 per cent of the school levy. The time may come when certain municipalities can pay to school boards each year only that proportion of the school levy which has been actually collected in that year.

Let us turn to the second division of our subject—capital financing.

The long term debt of Canadian municipalities has been increasing at an alarming rate. At the end of 1932, it had reached the startling total of one and one-third billion dollars ($1,363,000,000), an increase in the short space of ten years of $364,000,000 or 36 per cent or making comparison with 1913, just before the war, the increase is not less than 126 per cent.

Has this increase been justified? In the period 1922 to 1932 Canada forged ahead in material things. Her cities, towns and villages became more populous, services were improved and made more efficient; roads, education, water, light, parks, means of protection have all been greatly bettered. But have all these benefits been acquired sanely and wisely? Have they been acquired within the ratepayers' ability to pay for them, and to maintain them?

Let us consider this enormous increase in debt in relation to the growth in other factors. In the same ten-year period population increased 16 per cent; municipal debt you will remember increased 36 per cent. Even the increase in estimated wealth of Canada was but 30 per cent to 1930, the latest figure available.

Perhaps the soundest comparison, however, is to compare increase in debt with that in municipal assessment. What do we find? In 1922 total municipal assessment was $7,688,895,424. In 1931 it stood at $8,752,118,963—an increase of 14 per cent—and let me recall again, the increase in debt of 36 per cent. Are we not mortgaging our future, as the saying goes, up to the hilt? Or we might indicate our position by the fact that in 1922 there was a first mortgage on our properties, etc., of 13 per cent of the assessors value, while in 1932 this percentage had increased to 15 per cent. Instead of any increase, there should be a consistent decrease.

Debt Service

But in addition to this debt there is the increasing charge for interest and repayment of principal. The average annual debt service charge is approximately seven per cent of the debt. On this basis in 1922 there was collected from the patient taxpayer $70,000,000, in 1932 no less than $95,000,000—or an increase of 36 per cent. Have we ever heard of a five-year programme being instituted by any municipal council to reduce capital debt? Have not many of our municipalities reached the stage when this definite policy should be laid down (1) that no capital debt shall be incurred in any year exceeding the capital debt retired in that year, or (2) that no capital debt shall be incurred until the existing debt has been reduced to a more reasonable figure and thereafter new debts incurred only to the extent of existing debts being paid off. If some such policy is not instituted and courageously carried out the high record of our municipal securities would seem to be in grave danger.

Local Improvement Debt

This form of debt has perhaps caused municipalities, especially the more important ones, more grief than any other, and is responsible to a large extent for the heavy increase in delinquent taxes. One of several similar instances may be recounted. In a certain Ontario municipality a few years ago extensive real estate sub-divisions were undertaken. The council was requested to supply local improvements and services. It was pointed out by promoters that land values would be increased, likewise assessments. Council failed to make proper investigation. It failed to count the ultimate cost and consequences. In a period of five years the debt of this municipality, which lies in one of the finest sections of the province, increased from $260,000 to $2,250,000. The properties benefitting by the local improvement were assessed a part of the cost, and the municipality as a whole bore the balance. Immediately there was not only an increase in the general taxation of the municipality but an unbearable increase in the local improvement tax. What was the result? The municipality defaulted about eighteen months ago in its debenture debt payments. Taxes in arrears increased from $75,000 to $1,200,000. Property values faded away, and the title to a large proportion of the sub-divisions will have to be taken over most unwillingly by the municipality. The outlook for debenture holders scattered all over the Dominion is most unpromising.

Local improvement debt, unless soundly warranted is one of the most insidious and heartbreaking obligations for the taxpayer to struggle with, that can be entered upon, in that it imposes an added burden upon all taxpayers and an additional heavy debt especially upon the taxpayer whose property is supposed to be benefitted. The principle is sound, only if the improvement is absolutely essential, and further if ratepayers generally can stand the added load and if the owners of properties especially benefitted can afford the additional charge. An analysis of arrears of taxes in our principal municipalities will surely reveal that the major portion of such arrears are on properties carrying heavy local improvement rates.

Public Utility Debt

There is no argument against a municipality embarking upon municipally owned waterworks, light plants, etc.—the principle is recognized as sound. These public utilities must receive, however, competent administration, rates must be equitable and they must be ample to produce revenue sufficient to pay not only operating charges, depreciation, but principal and interest on the debt incurred in the acquisition of the undertaking and a moderate surplus to be available for contingencies, minor extensions, additions to plant, etc., When this is the case the public utility becomes a distinct asset to the community. Failing this, however, the undertaking becomes a liability on the ratepayer, necessitating the increasing of the general tax rate, and thus becoming an added burden.

Guaranteed Bonds

If a municipality—as an individual—desires to maintain a record for financial stability, guarantee of debts will not be countenanced. Every municipality has its own share of debt to take care of, and no matter what the plea or inducement may be, a deaf ear should be turned to all such proposals.

No municipality when it undertook to guarantee the debentures, bonds, or debt of any undertaking expected that it would be called upon to satisfy the debt. No municipality commenced, at the time the guarantee was entered upon, to make provision for the payment of such debt. It simply dismissed it from its calculations. Few municipalities ever entered such guarantees among their liabilities. The guarantee of bonds has already led to many municipal embarrassments. One county in Ontario during the past decade has been prolific in its guarantees and has endorsed bonds issued by municipalities within its borders for the erection and equipment of high schools. The present total debenture debt of this county is approximately $1,452,000, but added to this it is guarantor for a debt of $1,986,000. The situation in this particular case is quite grave and the outcome has yet to be determined.

Another Ontario county has until recently pursued the policy of guaranteeing all the debentures of all the municipalities within its borders. In this particular case the county has no debenture debt of its own, but even so the policy was not only most objectionable from the county's standpoint, but fails to place the responsibility for each municipality's debt where it properly belongs. Each incorporated municipality should be able to stand on its own feet. May I recite another experience in guarantees. A group of Ontario municipalities undertook to guarantee the capital investments in two railway enterprises. They never expected to suffer loss—in fact the expectation was that the enterprises would be so successful that earnings would be sufficient to pay all operating charges, interest and annual installments of principal and leave them with the undertakings free of debt. The result, however, was different. Earnings were not even sufficient to pay operating charges, let alone interest and annual payments on account of principal.

Subsidized Bonds

The practice of municipalities (not in Ontario) of subsidizing undertakings and the use of the subsidy payments as a base for the issuance of bonds under the name of the undertaking is very questionable:

1. The issuance of a subsidy contract is a definite commitment of the municipality to pay a particular sum for a definite period of years. As such it becomes a definite liability, yet its capitalized value does not appear among the permanent liabilities of the municipality in the balance sheet.
2. It is not economical, i.e., if the undertaking or service is sound and justified the municipality could issue bonds in its own name and on its own credit at a more economical rate of interest.

Initiation of Debt

The decision to incur debt and to issue debentures should only be arrived at after it has been determined:

1. That the capital asset to be created at least equals the proposed debt. Under no circumstances, should permanent debt by way of issue of debentures be created for current deficits.
2. That the work to be done or property to be acquired is absolutely necessary and in the interest of the taxpayers who are the ones to pay for it ultimately.
3. That plans and specifications have been completely drawn and approved and all the usual basic preliminaries have been thoroughly gone into and passed upon by competent authority.
4. That the financial condition of the municipality justifies the undertaking and that the additional taxes required to support the services of the debt are within the ratepayers' ability to pay.
5. That the undertaking can be financed both temporarily and permanently.
6. That the method of permanent financing—type of bond, coupon rate, maturity date and place of payment is sound and economical.

Editor's Note.—This is the second section of Mr. Bradshaw's comment on reforms in Canadian municipal finances. The concluding section will be published in an early issue.

Dominion Bridge Secures Island of Orleans Contract

From Our Own Correspondent

MONTREAL. — Contract for the super-structure of the new Island of Orleans Bridge has been awarded by the Department of Public Works, to the Dominion Bridge Co., whose bid of $813,747 was the lowest of those submitted.

Contract for the central span of the bridge, pillars, etc., went to the Foundation Co. Ltd., Montreal, whose tender of $610,941 was the lowest of those submitted.

Claude Neon Co. Select Robertson as Manager

From Our Own Correspondent

MONTREAL.—Announcement has been made of the appointment of John R. Robertson, Toronto, to be managing director of Claude Neon Advertising Ltd. Mr. Robertson is president of the E. L. Ruddy Co., a Claude Neon subsidiary.

$77,000,000

This large sum of money was paid by the Canada Life to beneficiaries and policyholders during the last three years. In the same period it added over $43,000,000 to its assets to provide for future liabilities to policyholders. The total assets for the protection of policyholders, now over $216,000,000, are safeguarded by proper diversification.

Canada Life Assurance Company
Established 1847

10 Stocks for Recovery

No investor should miss The Financial World's new analysis pointing out 10 outstandingly attractive stocks that should benefit most from fall trade revival. You will be in time to profit by this timely market study if you send $1 at once for the next four issues of The Financial World. You will also receive our September "Independent Appraisals of (1,300) Listed Stocks;" also "Three Security Programs," "A New Basis for Selecting Stocks" and "Sound Investment Rules." Return this "ad" with $1.00.

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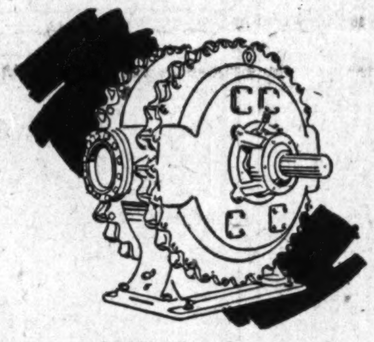
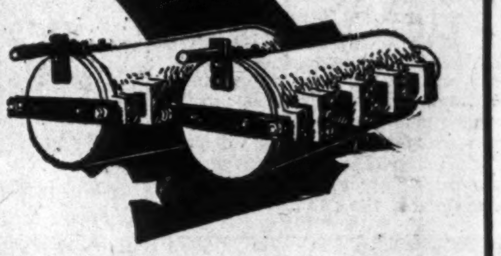
TO MANUFACTURERS AND PURCHASERS OF MACHINERY AND EQUIPMENT...

SAVE

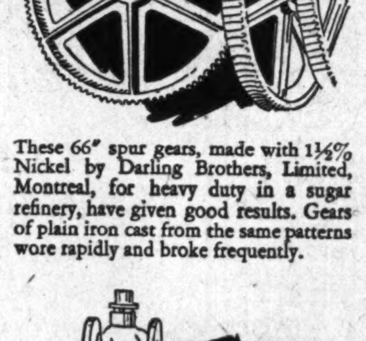
REPAIRS, REPLACEMENTS
COSTLY SHUT-DOWNS
by specifying
NICKEL CAST IRON



Rotar of Nash-Hytor Pump weighing from 8,000 to 10,000 lb., made from Ni-Resist Cast Iron. Bronze was previously used for this purpose, but Ni-Resist, because of its relative cheapness and acid-resisting qualities, was selected as the logical substitute.



Two Amalgam Retorts made of Wabi Heat-Resisting Iron, a Chrome Nickel Alloy which retains its strength under prolonged heating and frequent temperature changes.

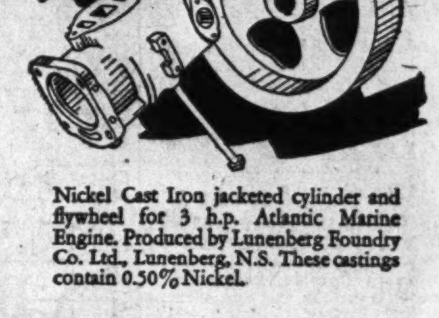


These 66" spur gears, made with 1½% Nickel by Darling Brothers, Limited, Montreal, for heavy duty in a sugar refinery, have given good results. Gears of plain iron cast from the same patterns wore rapidly and broke frequently.

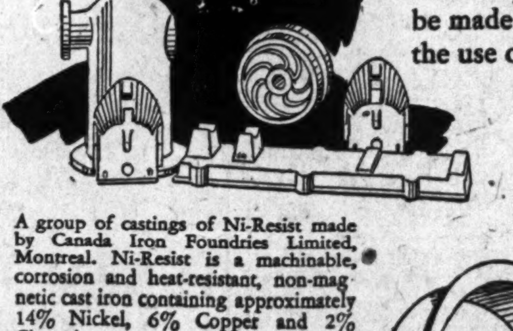
Wear and breakage, with resulting costs of replacements, shut-downs, and transportation charges on renewal parts, make costly inroads on Canadian industry yearly. The toll taken by wear and breakage can be drastically reduced by the use of Nickel Cast Iron and other alloys containing Nickel in all types of machinery and equipment. The addition of Nickel to a properly adjusted base mixture tends to reduce the porosity and refine the grain...to increase the strength and machinable hardness, and give greater uniformity.

Nickel Cast Iron has proved itself time and again to be capable of providing greater resistance to wear and breakage. It invariably reduces repair and replacement costs and costly shut-downs. The weight of machinery and equipment can frequently be substantially reduced by the use of Nickel Cast Iron, thus effecting decided savings in transportation costs.

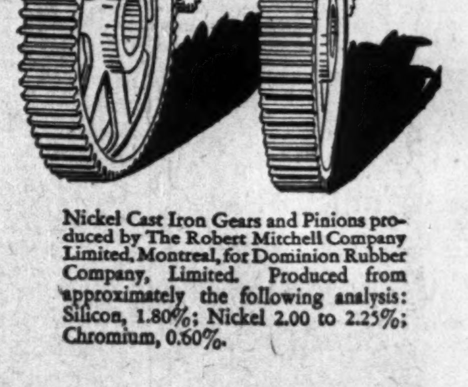
Consider the equipment *you* are purchasing or manufacturing. Review your specifications now and consider what parts can be made to give longer wear and greater economy through the use of Nickel Cast Iron.



Nickel Cast Iron jacketed cylinder and flywheel for 3 h.p. Atlantic Marine Engine. Produced by Lunenberg Foundry Co. Ltd., Lunenberg, N.S. These castings contain 0.50% Nickel.

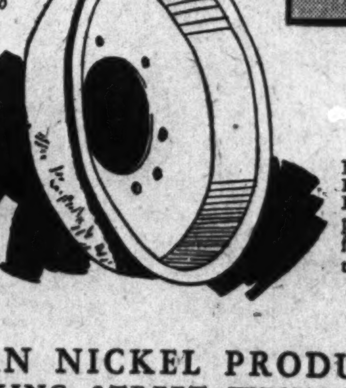


A group of castings of Ni-Resist made by Canada Iron Foundries Limited, Montreal. Ni-Resist is a machinable, corrosion and heat-resistant, non-magnetic cast iron containing approximately 14% Nickel, 6% Copper and 2% Chromium.

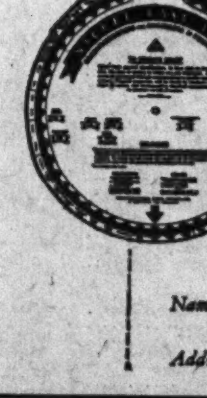


Nickel Cast Iron Gears and Pinions produced by The Robert Mitchell Company Limited, Montreal, for Dominion Rubber Company, Limited. Produced from approximately the following analysis: Silicon, 1.80%; Nickel 2.00 to 2.25%; Chromium, 0.60%.

Nickel CAST IRON
PERFORMS BETTER LONGER



Nickel Cast Iron Brake Drums produced by The Robert Mitchell Company, Limited, Montreal, for the busses of Montreal Tramways.



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THE FINANCIAL POST

SECOND SECTION

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Robert McLaughlin's "Go Ahead" Started General Motors of Canada

Nationwide Industry Celebrates 25th Birthday—Grew Out of Carriage Works Founded in 1867

By C. W. STOLLERY

When in 1907, R. S. and G. W. McLaughlin put their proposal to manufacture horseless carriages before their father, Robert McLaughlin, the dean of Canadian carriage builders, he just laughed and said: "All right, you boys go ahead." That is the way R. S. McLaughlin described to The Financial Post the decision to start what has become General Motors of Canada Ltd., an industry with plants from coast to coast, which on Sept. 3 joined in celebrating the 25th birthday of General Motors Corp. It is now over 66 years since Robert McLaughlin founded his carriage business at the tiny village of Enniskillen, Ontario.

Big Decision in 1915

But the big decision for his father, R. S. McLaughlin told The Financial Post, came in 1915.

"My brother and I had made a contract with Mr. Durant to manufacture Chevrolet cars in Canada," said Mr. McLaughlin. "We had made up our minds to leave the carriage business and had decided that the carriage was going to die out anyway. If we did not do this, it meant that we would have to add to our premises which we did not want to do at that time. It was pretty hard for him to give up the carriage business. He had founded it. But he said, 'All right, I am getting old and I am about done. You boys go ahead,'" Robt. McLaughlin was then in his 77th year.

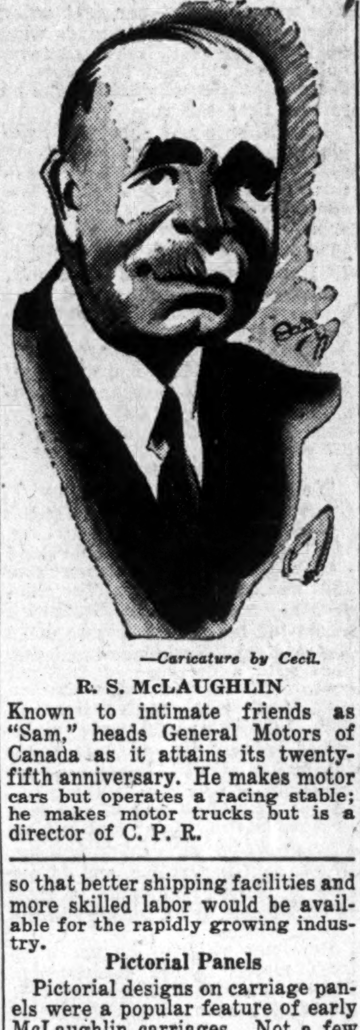
Difficulties marked the first early years of production by the company. In 1907, the McLaughlins first made an attempt to manufacture cars in Canada, including the engine. Only one car was made and the engine problem was found to be a forbidding obstacle. Consequently, a contract to supply engines was signed with the Buick Motor Car Co., of Detroit. The result was that four different models of two-cylinder automobiles were produced in 1908.

In 1908, 198 automobiles were produced by the newly formed McLaughlin Motor Car Co., of which R. S. McLaughlin was president, G. W. McLaughlin treasurer, and Oliver Hezzlewood, vice-president. Robert McLaughlin consented to serve as director, although he was not thoroughly "sold" on the automobile business at that time.

Early Troubles

Compared with the powerful and nearly automatic cars turned out today, these antiques were terrors of the road. "We had a lot of trouble," Mr. McLaughlin told The Financial Post. "We had dry batteries and magnetos which gave us unsatisfactory sparking. This was largely overcome by the adoption of Delco ignition system by Cadillac and by all General Motors lines later. The early two-cylinder models were later superseded by the small four-cylinder McLaughlin-Buicks."

The history of General Motors of Canada, Ltd., goes back to 1867, when Robert McLaughlin was working his farm near Enniskillen, Ont. Mr. McLaughlin filled his first order for a carriage on his own farm. In 1870 the McLaughlin name was becoming known and a staff of eight was employed; the automobile industry, to which this small beginning gave birth, has employed a staff of 10,000. The McLaughlin enterprise was moved to Oshawa in 1879 so that better shipping facilities and more skilled labor would be available for the rapidly growing industry.



—Caricature by Cecil.

R. S. McLAUGHLIN

Known to intimate friends as "Sam," heads General Motors of Canada as it attains its twenty-fifth anniversary. He makes motor cars but operates a racing stable; he makes motor trucks but is a director of C. P. R.

Pictorial Panels

Pictorial designs on carriage panels were a popular feature of early McLaughlin carriages. Not a few of these were actually executed by Robert McLaughlin himself, who had a leaning toward art. It is recorded that he painted a picture of King William of Orange, horse and all, crossing the Boyne, to adorn the first custom-made vehicle he produced. In his later years Robert McLaughlin spent much of his time painting landscapes. He kept an easel in his office at the plant for this purpose.

R. S. McLaughlin and his brother, George W., were taken into partnership in 1893. Both young men had actually served apprenticeship in the shop. Style and improved mechanization further popularized the McLaughlin vehicles in the 90's. A patented buggy gear, new style top, brass and rubber washers were among the new features which made McLaughlin buggies leaders in those days. In 1899, the carriage factory was destroyed by fire, but production was carried on temporarily at Gananoque, Ont., while larger quarters were built at Oshawa.

Foresaw Change

Not long after this the horseless carriage appeared. R. S. McLaughlin saw what was coming. In his own words:

"In or about 1906 I began to get a little uneasy about the horseless carriage, and spent a year investigating it. I did a lot of travelling; I saw motor car plants. I knew the heads of the companies. I knew Mr. Durant very well, who formed the Buick Motor Car Co. After this investigation we made an abortive attempt to manufacture cars here, including the engine. We made one car here, designed by our own engineer. That showed us the futility of trying to manufacture automobiles upon a small scale. And for that reason we hooked up with Durant, to get the Buick engines, though we designed our own bodies."

The McLaughlin Motor Car Co. started operations in 1907, and linked up with Buick in 1908 on a 15-year contract. But the manufacture and sale of high quality McLaughlin carriages was continued until 1915. Then the McLaughlins decided to take on manufacture of Chevrolets, and the carriage business was abandoned. Motorists will recall the early success of the Chevrolet which has been maintained to the present. The Chevrolet Motor Co. of Canada Ltd. was the company which was organized by the McLaughlins to manufacture the new cars.

Nationwide Operations

In 1915, the American Chevrolet was not in General Motors but later became part of this, now the world's largest manufacturing organization.

The sale of the American Chevrolet organization to General Motors Corp. changed the Canadian situation so that the McLaughlin enterprise became a subsidiary of the American company, with the McLaughlins accepting shares in General Motors in exchange for their proprietorship of the Oshawa plant. That was in 1918.

Production and marketing for the Canadian company is still handled largely by the executives of the Canadian company. Nearly 100 per cent of the employees of General Motors of Canada are Canadians. R. S. McLaughlin, of Oshawa, remains president of the Canadian company and is also a vice-president of General Motors Corp. G. W. McLaughlin withdrew from the business in 1924, but still lives in Oshawa.

The Canadian company now makes McLaughlin, Buick, Chevrolet, Pontiac, Oldsmobile, Cadillac and LaSalle cars at Oshawa. Plants are also operated at Walkerville, Ont., for manufacture of G. M. C. trucks and automobile engines; at St. Catharines, Ont., for manufacture of differentials, axles, spark plugs, etc.; and at Regina, Sask., to supply automobile buyers in the Western provinces. Eight zone sales offices are located at Vancouver, Calgary, Regina, Winnipeg, London, Toronto, Montreal and Moncton. These are supplemented by parts depots at Vancouver, Calgary, Edmonton, Regina, Saskatoon, Winnipeg and Saint John for distribution of parts to dealers and garages throughout Canada.

Personnel of General Motors of Canada is headed by H. A. Brown, vice-president and general manager, who innovated the questionnaire for automobile owners by which consumer preferences are measured. This scheme resulted in thousands of motorists replying and answering the questions. Subsequently, many of the ideas presented by car owners were incorporated in the company's products. By this previously unemployed device the consumer gave the company an indication of what was really wanted.

LIVING COSTS 3 P. C. HIGHER AS FOODS RISE

Food Costs Increase in Every City in Dominion

RENTS, FUEL STEADY

Increased Costs Greatest in North. Ontario and Prairies — Vancouver Low-Cost City

After showing a slight increase at July 1, living costs at August 1 made a decided advance, as food prices were higher in every city in the Dominion.

For the past few months food costs as compiled by the Department of Labor for The Financial Post, have shown irregular increases and decreases in different cities, the Aug. 1 calculation being the first to definitely show increase in all cites.

The weekly food bill of the average workingman with a family of five shows an increase for the whole Dominion of 48 cents, or 7 per cent, and this is sufficient, when combined with fuel and rent costs, which have remained steady, to increase living costs by 3 per cent.

Winnipeg Costs Jump

Complete, comparable statistics of food, fuel and rent are only available for eight leading cities of the Dominion. These figures show that costs in Winnipeg made the greatest advance, one of 64 cents, followed by Toronto, Ottawa and London in that order. Food costs are available for 57 leading cities and this compilation reveals that the greatest increases took place in Northern Ontario and the Prairie Provinces.

Food costs were only slightly advanced in Vancouver with the result that this city is even more firmly established as the cheapest of the eight leaders in which to live. Montreal costs were only increased 12 cents, as compared with 48 cents for the Dominion average and this city retains second place. Data for the leading cities compared with July 1 is as follows:

Family Budget Costs at August 1

	Fuel	Food	Rent	Total	July 1
	$	$	$	$	$
Vancouver	2.10	7.63	5.00	14.73	14.49
Montreal	2.61	7.04	6.00	15.67	15.55
Hamilton	2.19	7.58	6.25	16.02	15.80
Windsor	2.40	7.44	6.25	16.09	15.77
London	2.61	7.24	6.25	16.10	15.63
Toronto	2.41	7.79	6.25	16.45	15.96
Ottawa	2.99	7.52	6.25	16.76	16.28
Winnipeg	3.09	7.57	6.75	17.41	16.77
Dom. aver.	2.82	7.43	5.67	15.96	15.48

St. Hyacinthe Cheapest

On the basis of food and rent costs at August 1, fuel costs not being comparable for all cities, St. Hyacinthe retains first place among the cheapest cities in which to live, followed closely by Amherst, N.S., Nanaimo, B.C., is outstanding as the dearest city. It is interesting to note that the difference between the cheapest and dearest cities is one of $3.27 a week, the comparative figures being $11.11 and $14.38. Available data for the 57 leading cities follows:

Food and Rent Costs in Canadian Cities

	Food Aug. 1	Food July 1	Chge.	Rent*
	$	$	c.	$
Nova Scotia				
Sydney	7.56	7.26	+30	4.88
N. Glasgow	7.35	7.07	+28	5.00
Amherst	7.04	6.78	+26	4.13
Halifax	7.59	7.45	+14	7.50
Prince Edward Island				
Charlottetown	6.83	6.81	+ 2	5.88
New Brunswick				
Moncton	7.44	7.28	+16	6.50
St. John	7.42	7.25	+17	6.00
Fredericton	7.62	7.33	+29	6.25
Quebec				
Quebec	7.33	7.18	+15	6.25
Three Rivers	6.90	6.61	+29	5.13
Sherbrooke	6.94	6.39	+55	5.75
St. Hyacinthe	6.36	6.09	+27	4.75
St. Johns	6.33	5.96	+37	5.38
Montreal	7.04	6.94	+10	6.00
Hull	6.92	6.56	+36	6.00
Ontario				
Ottawa	7.52	7.04	+48	6.25
Kingston	7.18	6.65	+53	5.13
Belleville	7.06	6.52	+54	5.50
Peterborough	7.28	6.67	+51	5.75
Oshawa	7.47	6.93	+54	4.00
Toronto	7.79	7.35	+44	6.25
Niagara Falls	7.58	7.11	+47	5.63
St. Catharines	7.54	7.04	+50	6.75
Hamilton	7.58	7.21	+37	6.25
Brantford	7.60	6.94	+66	5.88
Galt	7.59	7.09	+50	5.65
Guelph	7.48	6.97	+51	6.00
Kitchener	7.42	6.71	+71	6.25
Woodstock	7.13	6.61	+50	6.00
Stratford	7.31	6.66	+65	6.25
London	7.24	6.77	+47	6.25
St. Thomas	7.55	7.11	+44	5.63
Chatham	7.15	6.58	+57	5.75
Windsor	7.44	7.12	+32	6.25
Sarnia	7.34	6.88	+46	6.00
Owen Sound	7.48	6.54	+94	5.50
North Bay	7.72	7.08	+64	...
Sudbury	7.92	6.94	+98	6.25
Cobalt	8.25	7.52	+73	5.50
Sault Ste. Marie	7.75	6.69	+76	4.63
Port Arthur	8.00	7.16	+84	6.00
Fort William	7.99	7.21	+78	6.00
Manitoba				
Winnipeg	7.57	6.93	+64	6.75
Brandon	7.20	6.33	+87	5.63
Saskatchewan				
Regina	7.33	6.62	+71	6.88
Prince Albert	7.30	6.52	+78	5.63
Saskatoon	7.19	6.58	+61	6.25
Moose Jaw	7.52	6.85	+67	6.25
Alberta				
Medicine Hat	7.10	6.87	+23	5.63
Edmonton	7.30	6.64	+66	6.50
Calgary	7.04	6.62	+42	6.00
Lethbridge	7.32	6.53	+79	5.50
British Columbia				
Fernie	8.18	7.51	+67	4.50
N. Westminster	7.61	7.35	+26	4.38
Vancouver	7.63	7.39	+24	5.00
Victoria	8.20	7.73	+47	5.68
Nanaimo	8.38	7.91	+47	6.00
Dominion	7.43	6.95	+48	5.67

*Workingmen's six-roomed houses with modern conveniences.

RELIEF ACTIVITY SEES MANY JOBS SPEEDING AHEAD

Flying Fields, Forest Stations All Are Pushed

It is an ill wind that blows nobody good, and several departments of the Dominion Government at Ottawa are secretly congratulating themselves that the relief programme of the Dominion in conjunction with the several provinces is providing them with new facilities and extensions for their work which, under normal conditions, much less in these cheese-paring times, they could not have expected to obtain in less than ten or fifteen years. The departments chiefly benefitting are National Defence, which is obtaining flying fields and other military works, and the Forestry Branch of the Department of the Interior, which is benefitting from the opening of new roads, tree-thinning operations, the elimination of fire hazards and the preparation of land for tree-growing and experiment stations.

Work Proceeding

Work is proceeding on militia camps, flying and landing fields or other military works at Barriefield, Trenton, Borden, Deseronto, Petawawa, Val Cartier and in British Columbia. The Forestry Branch works in close co-operation with the Department of National Defence. At Petawawa about 300 men are at work and approximately a million trees have been planted this year. Roads are also being built through Algonquin Park. Two saw mills are being run there and are cutting about 8,000 feet of lumber a day for use by the Department of National Defence. This winter, tree-thinning and selective logging will be engaged in. Similar work is going on at Val Cartier. About a quarter of a million trees have been planted there and ground is being cleared and prepared for a new forestry experiment station. Experimental stations will also be proceeded with at Duck Mountain, Man., and East Thurlow Island, B.C.

Remedial Power Works

One of the largest undertakings is at Lac Seul, on the Ontario-Manitoba boundary, where remedial works to regulate the flow of the Winnipeg River for power purposes is about to proceed. The water of the lake will be raised ten feet over a shore line of 1,400 miles, and about 75,000 acres will be flooded. From 56,000 acres of this the timber will be cleared off, the pulpwood being salvaged and the debris burned. A sawmill is now in operation on this area at Hudson. It is expected this project will employ 3,000 men all winter.

Road Work Proceeds

In British Columbia it is understood the Dominion Government has taken over nearly all the road construction work, and about three dozen camps are in operation. The Columbia Highway is being pushed to completion, and a lot of work is also being done in the vicinity of Quesnel in the Cariboo district, where considerable mining activity exists and where roads are much needed.

At these work camps, which are made up almost entirely of young, unmarried men from the cities and towns, the government supplies the men with a complete outfit of clothing costing about $35, and provides food, tobacco and medical and dental attention, and pays each man $5 a month for spending money. There have been a number of instances where men have disappeared soon after being issued the complete outfit of clothing and some complaint is heard that not nearly enough work is had from the men. The men grumble that they are being paid only 20 cents a day or $5 a month, not taking into consideration that the Government feeds and clothes them, even providing tooth brushes.

If the Government were up on its psychology it would have told the men they were being paid a dollar a day and that, out of this, 80 cents was being deducted for food and clothing. Undoubtedly, this would put a different complexion on the matter and there would be much less fault finding.

New President "La Patrie"

HON. P. R. DUTREMBLAY

Newly elected president of "La Patrie," French newspaper of Montreal. He is a product of Laval and McGill Universities. Elected M.P. in 1917, he has had an extremely active political and commercial career and has been M.L.C. for Sorel since 1924.

He is president of the Montreal "La Presse" and of the Montreal "La Patrie," of Montreal Apartments, Limited, of La Compagnie d'Assurances La Prevoyance, of the Provident Adjustment & Investment Co., of the British Colonial Fire Insurance Co., of the Canadian Printing & Lithographing Co. and a director of La Compagnie d'Assurances Trans-Canada.

Mr. DuTremblay, knight of the Legion of Honor, France, is a life governor of Notre Dame Hospital.

In a word, the Hon. P. R. DuTremblay is an outstandingly successful and active man of business, of highly constructive character, and a much-loved Canadian gentleman.

IMMIGRATION DOWN 34.4% TO JULY 31

Decreases Chiefly in British, N. European and U. S. Immigrants

A decrease of 34.4 per cent has occurred in immigration into Canada in the first seven months of 1933, according to the Ottawa department. The decrease in July was 30.6 per cent. For both the month of July and for the seven months the greatest decreases have been shown in immigrants of British, North European and United States origin. Immigrants from other sources were only 3.6 per cent less in July than last year and only 11 per cent less for the seven months period.

Total immigration into Canada in July was 1,370 persons compared with 1,974 persons in the same month last year. For the seven months to July 31, 1933, total immigration was 8,430 as compared with 12,857 in the first seven months of 1932.

The decreases in immigration from British, United States and northern European sources are shown in the following table, as contrasted with the small decreases in immigration of other races:

Immigration Into Canada
Seven Months to July 31

Source	1933 No.	1932 No.	Decr. %
British	1,252	2,102	40.4
U. S. A.	5,361	8,513	37.0
N. Europe	336	578	4.9
Others	1,481	1,664	11 0
Total	8,430	12,857	34.4
Month of July			
British	212	298	28.9
U. S. A.	860	1,299	33.8
N. Europe	60	130	53.8
Others	238	247	3.6
Total	1,370	1,974	30.6

DISTILLERIES IN FOREFRONT FOR 3 YEARS

Matured Liquors Made in United States Will Then Grow Rapidly

WILL BE PROTECTED

Immediate Export Problems Will Include Growing Taxes and Increasing British Competition

For the next three years it is probable that distillery stocks will occupy a leading position on the stock exchanges of Canada, the United States and Great Britain. Last week there was another strong buying movement in Canadian stocks but that tendency was also reflected on stock exchanges in the United States and Great Britain and Ireland. All the excitement is in anticipation of a large demand from the United States when prohibition finally ends early in 1934, a result which is now accepted as almost certain even by the "dry" forces.

During the three years it will take for United States distillers to mature stocks sufficiently for sale, and even for a year thereafter, stocks will actively react to news of interest to the industry. For example, the eventual ending of prohibition is already discounted. Then the industry must accommodate itself to the various federal, state and municipal taxes which will be levied, and during that period stocks will be agitated by each new batch of news, favorable or unfavorable to large earnings. They must also accommodate themselves to the various policies adopted by states for sale and restriction of sale of spirituous liquors.

When U. S. Over-produces

Then will come the time when the United States distilling industry will have produced sufficient matured liquor to look after domestic demand itself, and at that time can be expected much higher customs duties, making favored foreign brands whether from Canada, Great Britain or elsewhere, much dearer and therefore limiting sale. Against that time Hiram Walker-Gooderham & Worts is building the largest distillery in the world at Peoria, Ill., and it will be part of the domestic industry of the United States when protection comes.

There will then be another possible "fly in the ointment," the fear that there will be over-production and creation of too much distillery plant just as there was in Canada some years ago. The Canadians, however, always had in their mind the possibility of the United States going back on its "dry" policy and some at least of the extra capacity for manufacturing and for storing alcohol was created with reference to the situation which soon will exist. A cessation of demand to a large extent in three or four years' time, however, may again make painfully apparent to Canadian companies that they are equipped to supply much more than the Canadian market. By that time stocks in Canada may be much closer to probable demand than at present.

More States "Wet"

The advent to the "wet" group of Maine, known previous to prohibition for 60 years as the prohibition state, makes it certain that the sale of liquor in the United States will be over a wider territory than before prohibition. The relief in taxation to other industries, the disgust with bootlegging, and the feeling that the state might better profit than the under-world, are responsible for this although there may be later a back-wash of sentiment in favor of local option. The "dry" sentiment, though temporarily overwhelmed, will make itself evident again in whatever direction promises the most success.

British Hopes High

In discussing the prospects of Distillers Company the parent company of Distillers Co.. Corp.-Seagrams in Canada, a firm of London stock exchange dealers, makes the following interesting analysis of the situation:

"The minimum consumption of whisky in U. S. for the seven years before prohibition averaged 70,000,000 gallons annually. If 50 per cent of this figure be taken as prospective consumption, the combined stocks of U. S. and Canada will not suffice for more that 18 months, for it is computed that the entire stocks of U. S. are 10,000,000 and of Canada 45,000,000, a total of 55,000,000 gallons. Since Canada has distilled no whisky for two years—owing to the depression—no further matured whisky will be available from Canada until June, 1937, the period of maturity in that country being four years. It appears, therefore, that the total stocks of 55,000,000 gallons will be exhausted before the close of the year 1935. Should this prove correct, the Distillers Co., which controls 90 per cent of the whisky trade in this country, may have the opportunity to supply 30,000,000 to 40,000,000 gallons of whisky per annum for the two years from July, 1935, to July, 1937, and possibly for another year if the maturity period in U. S. exceeds three years. This demand is likely to start in the near future.

"On an assumption that the amount of matured whisky required by the U. S. for the two years from July, 1935, to July, 1937, will be no more than 25,000,000 gallons annually this would represent a deficiency of 50,000,000 gallons. There is, therefore, the probability of the Distillers Co. supplying, say, 12,500,000 gallons annually over the next four years."

One Year Big Business

This idea that the Canadian distillers, because of lower operations during the last few years of the depression, will lose a great opportunity from 1935 to 1937 is to a great extent true. It would certainly be true if there were a rush to get rid of matured stocks early in the game but by blending and rectification much will be done to make the stocks go around. In 1938 the United States subsidiary of Hiram Walker-Gooderham & Worts will be getting in full swing with products of its own to go to purchasing agencies throughout the United States.

In Dublin interest has chiefly centred around distilling and other issues likely to be affected when the United States abandons prohibition. There was a large turnover in Dublin Distillers A shares on a rumor that negotiations were on foot with an American syndicate for sale of the company's whisky. E. & J. Burke issues were strong on the same expectation of business with the United States. Scottish distillery stocks have been more erratic according to Edinburgh advices.

Glasgow reports the first genuine sale of half a million gallons at £250,000 for the United States.

Expects Greater Demand

By M. M. WILNER

WASHINGTON.—Logically the one best bet for an increase of Canadian exports to the United States during the next two or three years should be on whisky. Whether that prospect is realized or not, however, may depend a good deal on the degree of diplomatic argument from without and political pressure from within that is brought to bear upon men now administering government from this capital.

The repeal of the prohibition amendment to the United States Constitution is as near a foregone conclusion as any event not yet accomplished can be. Moreover, this termination of the basic federal law forbidding manufacture, importation or sale of spirituous liquor is likely to be completed by the first of the new year. Laws of some of the states may continue prohibition after that, but they will not affect the principal centres of consumption. The demand for liquors of high alcoholic content, properly aged, inspected and guaranteed pure by government, is likely to reach proportions by next New Year's day fully as great as or considerably greater than it was in pre-prohibition times. Then the normal consumption in the United States was about 70,000,000 gallons a year. Today there are only about 4,000,000 gallons of home-manufactured, government-approved liquor in the country.

Must Buy from Canada

Permits have been issued by the government this year to manufacture 10,000,000 gallons of whisky, but authorities on the subject say that four years are the least time that can be allowed whisky to mature. It follows that if the people who are voting so enthusiastically in these days to repeal prohibition are to get what they are expecting, the bulk of the supply for the next few years will have to be imported, and Canada is the nearest neighbor and best customer, with an established reputation for the quality of her alcoholic products.

The fact is, nevertheless, that in the United States the trade in legitimate whisky, now sold through drug stores on physician's orders, appears to anticipate no serious competition from Canada of a price-cutting character, at least. Drug store prices for spirituous liquor, which went down slightly early in the summer, when the prohibition-repeal movement started, now have been shoved up higher than ever and the best grades, which have been available hitherto to the limit of the prescriptions, now are hard to get on any terms. When possible relief for the shortage from Canada is suggested, the dealer's reply reveals confidence that Canadian stock will not be procurable for less than $7 or $8 a quart because of high duties.

May Raise Taxes

Right there is the point where diplomatic argument may have its chance. The duty on whisky and other highly spirituous liquor, as fixed by the Hawley-Smoot law, is $5 per proof gallon and on champagne $6 per gallon. That is $1.25 and $1.50 a quart. This duty is in addition to the internal tax, which is $1.10 a gallon or 27.5 cents a quart. The proposal before the government, however, is to put the domestic tax up as high, according to some prophets, as $6.40 a gallon. The argument is under way whether that cannot be done by executive act alone without waiting for Congress to meet. Apparently that would not be difficult under the National Industrial Recovery Act, for the distillers merely would have to submit a code agreeing upon the proposed tax, and the President, after accepting it, could forbid any production on other terms. With the high domestic tax once decreed, there would be no question of the President's power to raise duties on imports correspondingly.

The internal-revenue tax, however, usually is paid only after the liquor has gone through the aging process and is withdrawn from the warehouses for marketing. The net result of all this tax-raising, therefore, would be merely that the stock now existing could be sold at prohibition prices or higher, and the rates would be let down again before any actual taxes on new products of the stills would become collectible.

More Revenue Seen

If the duty stands at $1.25 a quart, the Canadian product should be able to take much of the United States market for the next few years. Incidentally the revenue which would be realized by the present administration from the customs houses would be much greater than could come from home products waiting to be aged and certified. This point, if presented tactfully in a manner to reach the ears of the President himself, probably would carry much weight with him. Any speculative syndicate urging the high taxes and duties as a means of promoting a big profit on existing stocks, legitimate or illegitimate, would as a matter of course, only defeat its purposes by revealing itself.

Canadian Goods Enjoy Big Market In Cities and Towns of Belgium

Merchandise from Canada Well Displayed in Brussels and Antwerp Stores Export Investigator Finds

By J. K. ROSS-DUGGAN,
Editor, Canadian Trade Abroad

I arrived at the Gare du Nord, Brussels, about 7 o'clock in the evening. European cities have certain times when they appear at their best and express their individual personality. Brussels puts on her powder and paint as dusk falls.

Outside the station my eye was caught immediately by a street sign —"Kiltie Saumon Canadien—Le Meilleur Saumon En Boîtes."

The Belgian people have a warm spot in their hearts for Canada and Canadians. They remember the difficult months after the war when they set about repairing the ravages of that great conflict. After the Germans left, British troops, including Canadian divisions, took their places. In the memory of the Belgians is an appreciation of the helpfulness of the Canadian troops, who were practical men and able to take a hand in mending a fence, driving a team, and generally helping out in the houses or farms where they were billeted.

Warfare of Taxes

Somewhat of a strain has been placed on good relations between Belgium and Canada by the revaluation of Belgian exports to Canada and the imposition of special dumping duties. Belgium asserts that the extra sales tax against Canadian goods of anywhere from 2½ to 10 per cent on the duty paid value including previous duties, is in the way of retaliation. The duties are 10 per cent sales tax on Canadian cheese, canned meats, canned fish, canned fruits, and whisky as against 5 per cent for other countries; 7½ per cent on leather goods, manufactured rubber goods and rubber footwear as against 2½ per cent for other countries; and 14 per cent on automobile tires and tubes, as against 9 per cent for other countries.

The first evening I read through that most excellent booklet written by Henri Turcot, Canadian Trade Commissioner at Brussels, and issued by the Department of Trade and Commerce at Ottawa, entitled "Points for Exporters to Belgium."

Buy Much From Canada

Belgium has been for some years past a large purchaser of Canadian products and for the year ending March 31, 1933, Belgium reached fourth place among the Dominion's overseas customers with a total of $14,490,939 of Canadian imports. But this is only a small fraction of Belgium's import trade which for a normal year—that is to say in 1929 —amounted to $986,409,639 at par.

Our business with Belgium tends to be a one-way business. The figures:

CANADA'S TRADE WITH BELGIUM
Fiscal Years Ending March 31

	Exports to Belgium	Imports from Belgium
1930	$21,692,858	$13,019,006
1931	14,962,044	8,420,019
1932	14,945,441	5,047,721
1933	14,490,939	*3,642,513

However, quantities of our exports to Belgium may really be destined for Northern France, Luxembourg, the Rhine Valley or part of Switzerland and Italy, all of which are served by the great and proud port of Antwerp, standing at the commercial crossroads of Europe.

Mr. Turcot's office is the nerve centre of Canadian trade and commerce in Belgium.

Good Distribution Seen

In Brussels and Antwerp, I found Canadian goods in evidence in many places. Canadian cheese can be obtained from practically every grocery store in Belgium, in the stalls of the open markets, and at the following important stores in Brussels, Bon Marché, l'Innovation, Grands Magasins Wygaerts, Grand Bazar du Boulevard Anspach, and Togni et Cie.

Canadian apples are on sale, in season, at Grands Magasins Wygaerts, the fruit stores and on the stalls. They are marked "Pommes Canadiennes." The red variety sells best.

My eye caught O-Pee-Chee chewing gum in the windows of several candy stores. Canadian workmen's leather gloves were featured at Maison David.

Imitate Canadian Labels

"Kiltie" salmon can be purchased in the smallest Belgium villages as well as in the largest cities. Other brands of Canadian canned salmon are sold at most of the grocery stores of any importance. Japanese and Russian competition, however, is affecting these sales. Several of the stores showed me cans of salmon packed in the Canadian style and in many cases carrying references to Canada. It was alleged that these cans were packed with Russian or Japanese salmon. I inspected these cans very carefully and noted that they were not embossed "Canada" as is required by Dominion regulations. One sample was labelled "Chrysanthemum Salmon. Packed for the Blank Fisheries Company, Vancouver, B.C." A second sample bore the legend "British Columbia Salmon—Marguerite Brand—Packed by the Blank Canneries Association." A third sample was known as the "Monaco Brand—Fancy—Packed for the Blank Canning Company, Vancouver, B.C." What is Canada going to do about this?

Impressive is the distributing organization set up by Libby, McNeill and Libby in Antwerp. A corps of salesmen sells direct to the retailer. There is advertising in the newspapers, billboards, street cars and window displays. This important company, with Canadian and American factories, has made a considerable success of merchandising throughout Europe.

Antwerp Unloads Our Goods

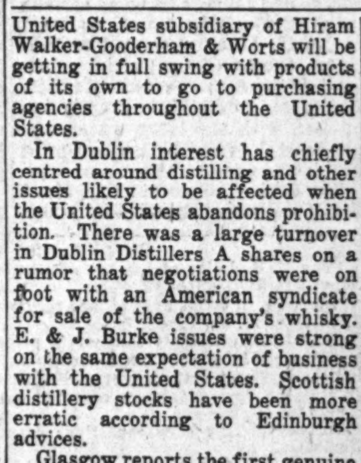
I made a very interesting tour of the docks at Antwerp. Ships from Canada were unloading. It was interesting to note the names of familiar Canadian firms on the packing cases, including Ten-Test, Howard Smith Paper Mills, the Pedlar People, Quaker Oats Company, Coleman Export Corporation, Rubberset, Canadian Leaf Tobacco Company. There were shipments of Canadian patent leather, canned lobster, cheese, etc.

There is a possible market in Belgium for practically all Canadian exports in the following classifications: living animals and products of the animal kingdom; products of the vegetable kingdom, mineral products and wood; and paper, articles of paper and wood pulp.

Among secondary products, the following offer the best opportunity for export to Belgium under normal conditions: dried fresh, frozen, salted and canned fish; packaged foods; canned vegetables and fruits; condensed milk; powdered cream and milk; unmanufactured tobacco; patent leather; workmen's leather gloves; leather belting; wallboard; pneumatic tires and tubes; rubber footwear; druggists' rubber sundries; agricultural machinery; radio sets; passenger automobiles; automotive parts, accessories and equipment; storage battery parts; rubber office supplies; ice skates; electrical appliances; canoes; brake lining, etc.

Just before train time I dropped into a "Quick Lunch." I had two sandwiches, one of Canadian cheese and the other of Canadian salmon.

Heads New Firm



ALLAN B. FISHER

Who announces the formation of the National Bond and Share Company Limited, to deal in investment securities, mortgage financing and property management. Having been a director and assistant manager for many years of the Central Canada Loan & Savings Company, which has now retired from the loan and savings business, Mr. Fisher brings a wide experience to the operations of his newly formed company.

AUGUST OUTPUT OF NEWSPRINT ON HIGHER BASIS

Production Nears 200,000-Ton Mark — Best in Over Two Years

From Our Own Correspondent

MONTREAL. — Newsprint production in Canada soared to new levels this year, when output in August reached 194,354 tons. This is the largest monthly total reported since the early part of 1931. Since the middle of the year there has been a marked change in the trend of production in this country. The gains in the last two months have done much to wipe out the declines in the first half of the year. If the present output is continued during the balance of the year, production in 1933 will be on a larger basis than that reported for 1932.

Production in the United States was well maintained in August, amounting to 84,521 tons, making a total United States and Canadian output of 278,783 tons.

During August, 24,826 tons of newsprint were made in Newfoundland and 1,633 tons in Mexico, so that the total North American production for the month amounted to 305,242 tons.

Cut Down Decrease

The Canadian mills produced 29,209 tons less in the first eight months of 1933 than in the same period of 1932, or a decrease of only 2 per cent. The output in the United States was 77,591 tons, or 11 per cent less than in 1932; in Newfoundland 18,199 tons, or 10 cent less, and in Mexico 2,162 tons more, making a total decrease of 122,837 tons, or 6 per cent.

Shipments of newsprint from Canada in August totalled 194,354 tons and in the United States 82,503 tons.

Grain and Milling in Canada

Wheat

From Our Grain Correspondent

Southern Crops Small

AS SPRING approaches in the southern hemisphere it is apparent that absolute crop disaster in either Australia or the Argentine is unlikely, although earlier opinion had made it a possibility in either country. But production in each promises to be small. There have been some fair rains in Australia but advices indicate that even the best of weather during the growing season will provide only a less than average crop, while a continuance of unfavorable weather might cut production seriously. Argentina is seriously troubled as to the possibility of grasshopper damage, as well as by lack of usual moisture supplies.

The Liverpool market is paying close attention to reports from the southern hemisphere, and it would appear that weather there offers the only prospective source of bullish market influence during the next few weeks. That is so far as the international price of wheat is concerned, the fluctuations in which may be disguised by alterations in the exchange value of the Canadian dollar.

* * *

Criticize Wheat Agrement

CANADIAN newspapers have almost all given their support to the wheat agreement yet in light of the many uncertainties which arise on a study of the document, it is a matter of doubt if the import of some of the clauses is fully realized. British experts, on the other hand, are exceedingly willing to criticize. For example, two grain experts, F. W. G. Urquhart, secretary of the Liverpool Corn Trade Association, and G. J. S. Broomhall of Liverpool, both well known to the trade throughout the world, have been quick to point out weaknesses in articles in British newspapers.

Toward article 6 of the London agreement, concerning a possible relaxation of import restrictions by importing countries, much of the British criticism is directed. Study of the article in question quickly shows that importing countries only agree to attempt to restrict acreage and lower tariffs in such a manner that they will not cause any hardship to their own farmers. They do not agree actually to do anything. There is only a vague agreement to modify tariffs and quotas should the international price of wheat rise to 12 gold francs per 220 pounds (about 63 gold cents a bushel or 73½ cents at present exchange rates).

Commenting on article 6 of the agreements, G. J. S. Broomhall, states in an article in a recent issue of the London Financial News:

"Nothing has been written in the agreement that justifies any reasonable hope that definite action will be taken to reduce the present abnormal home production of wheat in 'deficiency' countries."

* * *

Plan Not Feasible

MR. URQUHART is even more scathing in his comment on article 6. Not only does he doubt the feasibility of any action being taken by importing countries, but feels that any effort to promote the consumption of wheat in European countries—as agreed to in this article—must reflect only to the benefit of the domestic producer. In a contribution to the Liverpool Post and Mercury, he states:

"We can go on now to the long Article No. 6. Was it written by a French politician with his tongue in his cheek, or by Mr. Walter Elliot, M.P.? 'It is understood that this undertaking is consistent with maintaining the home market for domestic wheat grown on an area no greater than at present.' And (not Mr. Elliot this time) 'every possible measure to increase the consumption of wheat' is to be adopted. Now, if the consumption of wheat in Europe is to be encouraged, will not European farmers increase their supply to meet the new demand? 'Buy British;' 'Made in Germany;' 'National Mark;' 'Support Home Industries'—Do these slogans go, and does the cry 'Buy foreign and take Mr. Bennett and Mr. Wallace out of the wheat pit of their own digging' take their place."

SAY WHEAT QUOTA SOMEWHAT ABOVE ORIGINAL ESTIMATE

But Agreement Seems to Confirm First Amount

From Our Own Correspondent

WINNIPEG—A good deal of puzzlement still exists in Western Canada as to the exact meaning of the wheat agreement which Canada signed at London. The Hon. M. A. McPherson, for example, provincial treasurer of the Province of Saskatchewan, and Premier Bennett's adviser at London, has recently addressed meetings at Regina and Winnipeg on the subject. In each he presented calculations as to Canada's export quota under the agreement in 1934-35, which he worked out to be 293,000,000 bushels. That is nearly 30,000,000 bushels greater than the 264,000,000 which had previously been accepted as the probable meaning of the clause in the agreement covering exports for that year, so far as Canada is concerned.

Then the Winnipeg Tribune came out with an editorial on Monday of this week in support of the agreement, incidentally declaring it to be a "popular fallacy" that under the agreement Canada's total exports for the year were limited to 200,000,000 bushels, and that it was Canada's own concern how much wheat she should ship to countries not signatories to the agreement. The export trade of 560,000,000 bushels contemplated in the agreement, which is divided among exporting countries, is declared not to mean total world trade, but only that of the importing countries signing.

Interpretations Differ

The latter view it is difficult to reconcile with the plain wording of the agreement as published. It is still more difficult to reconcile with the known facts of the wheat situation, as there is no possibility of European countries, even if those countries are not excluded which failed to sign the agreement, importing anything like 560,000,000 bushels of wheat this year. That quantity represents almost exactly what Mr. Broomhall has calculated to be the total world trade this year, including some 150,000,000 bushels for China, Japan, Brazil and various other countries which were not represented at the conference. The quota agreement would be quite meaningless if the total allocated by quotas is to be an impossibly large figure.

A great deal of advice is being conveyed to the government at Ottawa, to the provincial governments, and to their parliamentary supporters these days on the subject of the wheat agreement, and to carrying out the limitations imposed upon Canada by its terms. The gist of most of it undoubtedly is to take no steps that are not actually necessary. Legal restriction of the area of wheat allowed to be planted by individual farmers is regarded as being both impracticable and politically impossible. Whether propaganda and advice to farmers to reduce their wheat sowings would be effective or not is a debatable and much debated question, but opinion is pretty well agreed that it represents all that can be practicably undertaken by the different governments.

Acreage Curtailed

There are parts of Saskatchewan where seeding next year may be limited by fear of a grasshopper plague even worse than was experienced this year, as the laying of grasshopper eggs is known to have covered a more extensive territory. In many other places wheat acreage may be cut down either from a scarcity of seed wheat, or from the necessity of devoting a larger area to coarse grains, in order to restore depleted supplies of seed. On top of that no one can yet guess the probable yield of next year's crop. "Wait and see" would cover a great deal of the advice tendered to the governments. If the country raises a big crop next year which cannot be exported either because of the agreement or because of the limited demand from consuming centres, some drastic steps may have to be taken to deal with the surplus, and perhaps by that time farmers might accept control of their operations if then considered necessary.

SELLERS ELECTED TO SUCCEED SMITH

New President of Winnipeg Grain Exchange Has Wide Interests

WINNIPEG. — H. E. Sellers, who has succeeded Sydney Smith as president of the Winnipeg Grain Exchange, has long been an important figure not only in the grain trade, but in other Western business. He is president of both the Federal Grain Company and of the Alberta Pacific Grain Company, and head of affiliated grain interest. He is president of the Prairie Cities Oil Company and is actively engaged in the export business through Melady Sellers and Company. He is on the boards of the Imperial Bank of Canada, the Great West Life Assurance Company, the Grain Insurance and Guarantee Company, and the Canadian General Insurance Company. In addition he takes a large part in directing educational and hospital work in Winnipeg.

Vice-presidents for this year are R. W. Milner and Rupert Reece. The Council of the Exchange consists, in addition to the president and the vice-presidents, of W. J. Dowler, C. H. Eggleston, R. T. Evans, C. C. Fields, Henry Gauer, C. E. Hayles, J. W. Horn, J. A. Kennedy, N. W. Leslie, J. R. Murray, A. C. Reid, and Sydney Smith.

On the committee of arbitration there will act W. J. Dowler, C. E. Eggleston, F. O. Fowler, S. N. Jones, W. J. T. Kerr, H. Sellers, A. Thomson.

The committee on appeals consists of W. R. Bawlf, C. E. Hayles, W. A. Murphy, W. H. McWilliams, E. S. Parker, J. A. Richardson, A. P. White.

Chadbourne Joins Board of Bruck Silk Mills Co.

From Our Own Correspondent

MONTREAL.—W. M. Chadbourne, of New York, has been elected to the board of directors of Bruck Silk Mills Ltd. Mr. Chadbourne is a member of the New York law firm of Chadbourne, Hunt, Jaeckel and Brown. He is a director of a number of companies, including Investment Foundation Ltd.

Winnipeg Grain Prices

Week to September 19

Crop year from Aug. 1, 1933 High	Low		Open Sept. 12	High for week	Low for week	Close Sept. 19
		Wheat				
.89⅛	.66¼	October	.70¼	.70⅝	.66¼	.70
.90⅞	.68¾	December	.71⅝	.72⅝	.68¼	.71⅞
.95	.73	May	.76½	78	.73⅝	.76⅞
		Oats				
.45	.33¾	October	.37¼	.37½	.33⅞	.37⅝
.45⅝	.34⅝	December	.37⅛	.37⅞	.34⅝	.37⅞
.48½	.36⅝	May	.39⅞	.40⅞	.36⅞	.40¼
		Barley				
.55⅞	.35⅞	October	..	.41⅞	.35⅞	.39⅞
.56⅞	.37⅝	December	..	.43⅞	.37⅝	.41½
.59⅞	.42	May	.45⅞	.46⅞	.42	.45½
		Flax				
1.60	1.36	October	1.48	1.60	1.45¼	1.57⅝
1.63½	1.35¼	December	1.49½	1.63½	1.47¼	1.60⅝
1.71½	1.40⅝	May	1.59	1.71½	1.55¼	1.68⅝
		Rye				
.62¾	.45¼	October	.53⅝	.57½	.52⅞	.56½
.64½	.47½	December	.55¾	.59⅝	.54⅝	.58⅝
.68½	.51⅞	May	.59¾	.64	.59	.62½

Wheat Prices Stronger Under Exchange Influence

Buyers Enter Market as Dollar Depreciates—Prospect of U. S. A. Inflation Boosts Sales — World Situation Appears Better

From Our Own Correspondent

WINNIPEG.—The exchange situation has again been this week one of the most important factors in the wheat market. Not only has the further depreciation of the Canadian dollar in terms of gold and of sterling raised the price of wheat in Canadian currency, but the prospect of further movement should inflation come at an early date in the United States, and produce a sympathetic effect on Canadian currency, has been bringing new buyers into the market. Although inflation talk in Chicago gets stronger daily there is a good deal of uncertainty as to just what inflation might do to the price of wheat there, now that United States prices are quite unrelated to Canadian and world prices. But it is accepted as a certainty that changes in external value of the Canadian dollar will be reflected promptly in adjustment of wheat prices.

The export demand for Canadian wheat continued at a healthy rate until a lull occurred on Tuesday, possibly because of heavy business previously done, and a fairly steady movement is still taking place down the lakes. The narrowing of the spread between October and May wheat, the fact that cash wheat now commands the October price, the existence of a strong premium on No. 1 hard, and an increase in the comparative price for Durum wheat, are all indications of a good cash demand.

Threshing Held Up

Continued heavy rains throughout the greater part of the West is beginning to create doubt as to the time at which threshing may be resumed in many areas, and as to the quality of wheat when threshed. It would appear that the burden on the market from new deliveries is likely to be light for some time yet.

World exports last week were light, only 9,300,000 bushels, of which 1,500,000 came from the Black Sea, and only 3,700,000 from North America. This was accompanied, however, by a decline of 2,000,000 bushels in stocks afloat, mainly because shipments of Australian and Argentine wheat have commenced to decline and are no longer equal to the quantities from those countries arriving at destination. British millers appear to have loaded up rather heavily with Southern hemisphere wheat, last week's arrivals being very heavy, at 5,800,000 bushels.

Russian Crop Doubts

Reports as to the Russian situation are still very mixed. The Russian delegate at the sitting of the wheat committee at London, just commenced, is reported to have insisted on an export quota for his country this year of 75,000,000 bushels against the 44,000,000 bushels previously suggested. Broomhall's estimate of 40,000,000 bushels as the total of Russian exports for the year is maintained, while other commentators profess to doubt Russia's ability to spare any breadstuffs.

The French Government appears to be experiencing increasing difficulties in maintaining the high fixed price for domestic wheat, in view of the existence of a greater crop than can be absorbed domestically at those prices. That fact, coupled with the financial exigencies of the Government, suggest the possibility of an acknowledged failure of price maintenance, which might have the effect of lessening efforts of farmers toward production. The German Government is proposing to secure funds for food for the unemployed by asking the population to do without one meal a month, which suggests that a deficiency in total food supplies may yet be experienced.

U. S. Estimates High

There is an increasing tendency in reports from the United States to insist that the Government there has overestimated the extent of the carryover, and has underestimated both the probable consumption of wheat during the current year and the reduction in the carryover. The very short potato crop produced is expected to have some effect upon the domestic consumption of wheat.

Liverpool Prices Disregard Short Crops in Canada, U.S.

British Market Greatly Impressed With Large North American Surpluses, Thinks Searle Grain Co.

It seems to be apparent that Liverpool has not considered the deficiency of crops in the United States and Canada to be as serious, as a price-raising factor, as many in North America seemed to feel, states Searle Grain Co. in its review of the August wheat situation. Liverpool, no doubt, is greatly impressed with the large wheat surpluses still available in the United States and Canada, the review says.

The review points out that No. 1 Fort William dropped 9⅝ cents, from 78⅝ to 68¾ between July 31 and Aug. 31. Of the decline in the Winnipeg price, it states six cents is no doubt due to the drop of world wheat prices at Liverpool, and about 1½ cents due to the increase in the sterling value of Canadian dollars. The remaining 2⅛ cents, it is stated, was apparently the falling of the Canadian price down to a better relationship with the Liverpool quotation.

The review summarizes bullish and bearish factors to the price of wheat at Winnipeg as follows:

Factors Tending to Raise Price

The U. S. dollar at London declined in value from $4.40 to the pound on July 31 to $4.51 on August 31.

Sterling, in terms of gold, has advanced from 124s. 6½d. per ounce on July 31 to 139s. 7d. on August 31.

The U. S. wholesale commodity price indices averaged an advance of approximately 1 per cent during the month. Similar wholesale commodity price indices in Great Britain averaged slightly more than 1 per cent advance.

Russian spring acreage reported as somewhat less, approximately 4 per cent, than a year ago.

Unsatisfactory crop conditions reported in New South Wales and South Australia.

Searle Grain Co.'s crop report estimates probable yield of wheat western Canada 275,000,000 bushels.

Sanford Evans crop report estimates yield western Canadian wheat 268,000,000 bushels.

Frost reported from some points in Canadian west.

Continued drought reported throughout the U. S. corn belt.

Rain reported as needed in New South Wales and South Australia.

France purchases Canadian wheat.

Unfavorable weather in Roumania reported adversely affecting crops.

Rain reported as still insufficient and needed in the Argentine.

Unsettled weather in some European countries delays the harvest.

Locusts reported as prevalent in north Argentina.

Continued wet weather reported delaying harvest in Russia.

World shipments of wheat from leading exporting countries early in August larger than last year.

Agricultural commissioner of the U. S. Department of Agriculture in Germany predicts with assurance a smaller wheat crop for 1933 in the 19 deficit countries of Europe than they had in 1932.

Estimates by the U. S. Department of Agriculture on August 26 that prospects are that the world wheat supply outside of Russia may be from 250 to 300 million bushels less, or about 6 per cent, than in the past season.

Estimate by U. S. Department of Agriculture that the German wheat crop will be no larger than last year, and that the French crop will fall below that of last year.

Factors Tending to Lower Price

Canadian dollar at London increases in value from $4.86 on July 31 to $4.76 on August 31.

Orient taking less wheat.

Estimated German wheat crop will be nine million bushels larger than last year. Quality said by Germans to be excellent.

Holland and Belgium reported to be considering erecting barriers against the importation of German wheat.

Roumanian wheat estimate for 1933, 50 million bushels greater than last year.

Indian wheat estimate for 1933, 16 million bushels greater than last year.

Broomhall reduces previous estimate of importing countries' requirements from 576 to 552 million bushels, of which he expects Canada to ship 192 million bushels.

Broomhall estimates Russia may ship 40 million bushels this year as against 17 million last year.

Broomhall estimates the total European crop ex-Russia at 82 million bushels larger than last year.

Prospects for 1933 winter wheat crop in China indicate a 10 per cent increase over last year.

Official Canadian estimates show total Canadian carry-over of wheat as of July 31, 1933, as 219,428,398 bushels, compared with 137,735,061 as of the same date last year.

The U. S. Department of Agriculture considers that after doducting amount needed for food, feed and seed and the carry-over of 125 million bushels, and after taking into consideration present carry-over. U.S.A. will still have 161 million bushels available for export this present year.

Great Britain limits importation of Canadian oats to maximum of six million bushels for year.

CROWN INITIATES ACTION AGAINST COAL OPERATORS

Progress Delayed by Counsel Advancing Motions of Particulars

From Our Own Correspondent

MONTREAL.—Preliminary skirmishes featured the first week of the action taken by the Quebec Government against ten Canadian coal companies on charges including the operation of a combine, enhancing prices, restraint of trade and limiting facilities for transporting, supplying, storaging and dealing in coal and coke, and also of conspiracy to do these things to the detriment of the public interest.

Following are the companies against which the charges are laid: Canadian Import Co.; Canadian Import Co. Ltd.; St. Lawrence Stevedoring Co.; British Coal Corp.; F. P. Weaver Coal Co.; Bartt and Adair Coal Co.; Scotch Anthracite Coal Co.; Mongeau and Robert Cie.; Montreal Coke and Manufacturing Co.; and Elias Rogers Co.

Want Separate Trial

The Scotch Anthracite Coal, Hartt and Adair, Mongeau and Robert, Montreal Coke and Elias Rogers claim that they had nothing to do with the Canadian Import Co. or with any of its subsidiaries and that it would be unfair to try them on any charges mentioned in the indictment with Canadian Import, which might prejudice their cases. Counsel for Scotch Anthracite has asked for separate trial, as also has Montreal Coke. They have entered a plea of not guilty to the charges.

On Tuesday last elections for trial before a judge without jury had been registered by the Canadian Import Co., Canadian Import Co. Ltd., St. Lawrence Stevedoring Co., British Coal Corp., and the two F. P. Weaver coal companies. At that time the other companies had not made their choice of trial procedure.

MIDLAND PACIFIC EARNINGS DOWN RETIRES STOCK

Redeems 1,133 Shares of Preferred During Year; Inventories Up

Midland & Pacific Grain Corp. experienced sharp reduction in earnings in the year ended July 31, 1933. Operating profit was down to $138,961 from $298,182 the preceding year. No depreciation is included in income account, but tax reserve of $28,000 showed slight reduction only and redemption fund reserve of $45,000 and adjustments on properties amounting to $7,953 reduced net profit to $58,008. Earnings on preferred stock amounted to $16.98 per share on 3,417 shares outstanding as compared with $42.96 per share on 4,550 shares outstanding in 1932. Common earned 31 cents per share against $1.63 in 1932. Depreciation reserve was actually increased by $37,960.

After payment of the increased dividend on the common shares, surplus was reduced by $18,550. Income and surplus account is as follows:

INCOME AND SURPLUS ACCOUNT
Years Ended July 31

	1933 $	1932 $
Operating profit	138,961	298,182
Less: Deprec.	....	59,509
Bad debts res.	....	15,000
Inc. tax res.	28,000	28,218
Adj. re properties ..	7,953	....
Red. fund res.	45,000	....
Net profit	58,008	195,455
Less: Pref. divs. ...	26,558	32,900
Common divids.	50,000	25,000
Surplus for year	†18,550	137,655
Add: Prev. surplus ..	250,915	*113,360
Balance forward	232,365	250,915

*After transferring $900,000 to capital account. †Deficit.

Working capital position is lower although current assets have been increased. Increase is due to inventories which are up to $1,375,859 from $667,068 while bank loans are up to $719,900 from $100,000. Bank loans are secured by hypothecation of grain under section 88 of the Bank Act, by deposit of securities with a book value of $209,000 and assignment of fire insurance. Accounts receivable are down to $74,728 from $135,279 while accounts payable are down to $173,155 from $198,285. Amounts owing affiliated companies total $126,869 were not shown last year. Working capital position is as follows:

Working Capital

	1933 $	1932 $
Current assets	1,525,020	1,079,880
Current liabilities ...	1,145,030	335,747
Working capital	379,990	744,133
Ratio	1.33—1	3.21—1

Fixed assets include investments and memberships at cost of $210,842, a reduction of $34,000, and elevators properties, equipment, etc., at $980,051 after depreciation reserve. Depreciation reserve is up to $252,698 from $214,737 although the appropriation is not shown in the income account. During the year, the company retired an additional 1,133 shares of $100 par value preferred stock. There remain outstanding 100,000 shares of no par value common stock.

Note: See Page 2 for information as to how a complete analysis of this company can be obtained.

REDUCE ACREAGE BY CO-OPERATION GOVERNMENT PLAN

MacPherson, of Saskatchewan, Says Legislation Secondary

From Our Own Correspondent

REGINA, Sask.—Judging from remarks of Hon. M. A. MacPherson, attorney-general for Saskatchewan and representative of the three prairie provinces at the London wheat conference, an educational campaign backed by only necessary legislation will be foremost in Canada's effort to reduce wheat acreage.

Addressing Regina's board of trade he said the federal Parliament has wide powers in the matter of agriculture, but provincial legislation may also be necessary. A policy educational in value should serve to obviate the necessity for much legislation, he added.

He insisted that Canada get back to normal and in getting back must play her part in the quota plan.

Armed With Statistics

Saskatchewan's attorney-general has armed himself with plenty of statistics and only on one point has the Saskatchewan wheat pool disagreed with him. On the matter of the total liable for export in 1934 Mr. MacPherson has set 292,000,000 bushels based on average acreage for the last three years and the ten-year average in crop yield, with domestic consumption and other items subtracted. But wheat pool statisticians have arrived at a total of 263,000,000 bushels available under the quota plan for export, a difference of approximately 30,000,000 bushels.

This difference hardly matters at this early date in the eyes of pool men. What they want to know is what is the federal government's intention with respect to the machinery to work out the plan for the whole Dominion. Will there be a marketing board or some such organization? It is understood that pool heads are studying the New Zealand Dairy Control board of 12 men which is made up of nine producers, two government officials and one from the trade. How far they have gone with the idea is not clear.

Plan Educational Meetings

In the country, before harvest had set in, pool officials were hard at work "selling" the quota plan to farmers and according to their own statements met with a considerable degree of success. Meetings were held at a considerable number of points and the plan as they understood it, discussed with the growers. Just as soon as conditions permit they will continue these "educational" meetings.

Europe Big Producer Of Bread Cereals

Importance of European domestic production of bread cereals in the world grain picture is often overlooked and therefore the statement made by Sir Albert Humphries at the Regina Grain Conference is worthy of repetition. In view of the world wheat agreement which attempts, among other things, to restrict European production, a reprint of his remarks is particularly timely.

In part, Sir Albert said:

"Adding together the figures as to production in Europe, excluding Russia, of wheat and rye, we get these striking figures: wheat 179,000,000 quarters, rye 101,110,000 quarters; total, 280,110,000 quarters.

"The total production of wheat and rye in United States, Casada, Argentine and Australia are for the last three years an average of: wheat 205,139,000 quarters, rye 7,039,000 quarters; total 212,178,000 quarters.

"Therefore the four principal exporting countries produce much less bread cereals than the principal importing area."

REMOVAL OF PEG ON WHEAT PRICES NOT UNEXPECTED

Pegging Only Temporary Measure Following Chicago

From Our Own Correspondent

WINNIPEG. — Removal last week of the price pegs on the Winnipeg Grain Exchange was surprising as to the action, and to a considerable number of persons as to the result. Prices dropped fairly sharply, but there was not the extent of liquidation to be taken care of that had been feared, and the lower prices were accompanied by a sudden and large increase in the quantity of business done.

As the opening of the October delivery month approached and prices were hanging closely to the peg, it became obvious that the Winnipeg Grain Exchange could not continue its refusal to allow trading to proceed at less than the pegged price without some extensive action by the Dominion Government market agency, both to take care of hedges on grain delivered by farmers, and to permit the liquidation of futures contracts already entered into. It seemed for a time that such steps would cover the extent of the Government action required, as export business had been in progress at a fairly satisfactory rate, on the basis of the pegged prices, or prices fractionally higher, and the announcement of such steps seemed reasonably probable.

Exports Dried Up

Export business, however, suddenly dried up, as the Winnipeg market was thrown out of line with Liverpool, to some extent by the offering of Russian and Danubian wheat at lower prices, and to some extent by fluctuations in exchange rates. Concurrently, foreign buyers, to whom the problem at Winnipeg became obvious, reduced their buying of Canadian wheat to small proportions until the situation should be cleared up.

At the same time, farmers in the country, who for a time had shown an inclination to hold wheat either on farms or in storage, feeling that they were sure of the pegged price, and might possibly get more, became eager sellers, as they heard of rumors that the pegged prices might not be maintained.

A Defensive Measure

The peg was instituted on August 14, it will be remembered, as the result of reactions from the Chicago market. Prices there had earlier been pegged, and in addition made subject to daily limitations on fluctuations, because of a very unsettled situation, due to the collapse of speculative enthusiasm with regard to wheat prices in the United States, because of short crops produced there. Dealers and traders with commitments in Chicago, becoming apprehensive of further declines in that market as soon as the peg there should be removed — a step which had become necessary with the approach of September delivery—sought to limit their losses by hedging sales in Winnipeg, which resulted in a desire of holders of wheat there to liquidate their position as soon as possible.

Institution of the peg at Winnipeg was consequently a defensive measure in order to protect the market from consequences of an extraordinary situation. In the nature of the case it was bound to be a temporary measure, unless the government should see fit to accept the responsibility of consequences, including both possible losses and the interruption of export business by keeping it in effect at Winnipeg.

Obituary

George Wilson formerly vice-president and sales manager for the United Drug Co. of Canada, died recently at Toronto. Mr. Wilson was born at London, Ont., in 1880, and had been with the United Drug Co. since 1909.

$50 PER VEHICLE MOTOR TAXATION TOTAL FOR 1932

Motorists Taxed $56,700,000 in 1932 — Road Costs Cut

Revenues collected by Dominion and provincial governments from motor vehicle operators in 1932 amounted to about $56,700,000 or over $50 for every motor vehicle operated during 1932, acording to figures of the Dominion Bureau of Statistics.

Operation of motor vehicles in 1932 shows a reduction of 7.2 per cent in registration but an increase of 7.32 per cent in revenues from registration. Gasoline consumption was down 9.4 per cent while revenues from gasoline taxes were up 20.12 per cent. Increased revenues were obtained by resort to heavier taxation of gasoline and by raising license fees.

Maintenance and construction of highways in 1933 were on a lower scale than in 1931. All expenditures on roads and bridges in Canada for construction and maintenance, amounted to $71,492,846 in 1932, compared with $88,537,382 in 1931, a decrease of 19.3 per cent.

Expenditures for road and bridge construction, including Dominion subsidies, amounted to $50,031,509 in 1932, compared with $66,250,229 in 1931, a decrease of 24.5 per cent. Maintenance expenditures were $21,461,337, compared with $22,287,153, a reduction of 3.7 per cent.

Total Registrations

Motor vehicle registrations in Canada in 1932 totalled 1,114,503 including 945,564 passenger cars, 1,530 buses, 157,880 trucks and 9,419 motor cycles. Decrease from 1931 was 86,404 vehicles. The chief decrease was in New Brunswick where the registrations were down 16.6 per cent, Saskatchewan being next with a decrease of 15.5 per cent. It is evident, says the bureau, that total registrations in both 1931 and 1932 were maintained largely by old cars being retained in service. Decreased registrations of new cars in 1932, passenger, from 1931 was 35 per cent in Nova Scotia, 46 per cent in New Brunswick, 38 per cent in Quebec, 37 per cent in Ontario, and 44 per cent in British Columbia, a total of 25,601 cars or 38 per cent in the five provinces.

Revenues collected by provinces from motor vehicle registration, licenses, etc., in 1932, amounted to $21,126,271 as against $19,684,908 in 1931. The increase of $1,441,363 was all made in Ontario and Alberta by increasing rates.

Raised Gasoline Tax

All Canadian provinces except Quebec and Alberta raised the gasoline tax early in 1932 and Quebec raised it in December, 1931. This increased gasoline tax revenue by $4,587,197, despite reduced consumption. Of total consumption some 85 per cent is used for automobiles. Saskatchewan led in decreased consumption with 32 per cent, followed by New Brunswick, Manitoba and British Columbia as shown in the table below:

Registrations of Motor Vehicles in Canada and Gasoline Consumption, 1932

	Registrations No.	Decr. %	Gasoline Consump. Gals. 000's	Decr. %
P. E. I.	6,982	10.9	2,692	10.9
N. S.	41,153	6.0	19,021	5.5
N. B.	28,044	16.6	13,672	14.7
Que.	165,730	6.6	91,128	6.6
Ont.	531,597	5.5	236,689	5.2
Man.	71,570	4.8	26,185	13.6
Sask.	91,275	15.5	33,636	32.0
Alta.	86,878	8.3	41,300	5.0
B. C.	91,042	7.0	39,458	13.0
Yukon	282	*4.0	.....	....
	1,114,503	7.2	503,781	8.4

* Increase.

Capital Expenditures Cut

Capital expenditures on highways by the provinces and the Dominion were reduced 24.5 per cent in 1932.

The increase in capital expenditures in Quebec was due largely to $9,745,121 spent directly by the province on its main highways. Comparative figures follow:

Capital Expenditures on Roads and Bridges in Canada

	1932 $	1931 $	Decr. %
P. E. I.	278,111	310,000	3.8
N. S.	1,742,887	4,197,512	65.6
N. B.	2,668,576	3,595,651	25.8
Que.	14,551,902	11,872,767	22.6†
Ont.	23,062,693	23,708,855	2.7
Man.	112,848	2,779,216	96.0
Sask.	340,527	6,702,181	94.9
Alta.	1,270,096	4,378,861	71.0
*B. C.	6,004,369	8,705,168	31.0
Total	50,031,509	66,250,229	24.5

* Years ended March 31.
† Increase.

Four provinces, New Brunswick, Quebec, Ontario and British Columbia, increased maintenance expenditures for roads and bridges in 1932, although the B. C. figures may be misleading, being only to March 31.

Comparative maintenance expenditures are shown below:

Maintenance Expenditures on Roads and Bridges in Canada

	1932 $	1931 $	Decr. %
P. E. I.	175,473	340,800	48.5
N. S.	1,719,748	1,895,458	9.3
N. B.	904,646	747,121	21.1†
Que.	5,432,742	4,855,460	11.9†
Ont.	8,672,678	8,123,150	6.8†
Man.	572,519	906,013	36.9
Sask.	528,428	1,048,664	49.6
Alta.	945,249	2,086,754	54.7
B. C.	2,509,854	2,283,733	9.9†
Total	21,461,337	22,287,153	3.7

* Years ended March 31.
† Increase.

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Your Investments

Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Wanted: An Association To Protect Investors

Non-Profit Organization Might Defeat Evils Arising from Divorce of Capital Ownership from Control — Functioning in U. K.

Probably the most signal failure of current Companies Acts in the Dominion of Canada arises from the difficulty of meeting the situation created by the ever-increasing tendency to divorce capital ownership from control. In the case of many large companies whose shares are held by the general public, the majority of shareholders own on the average less than 200 shares, and are scattered over various parts of Canada and sometimes the United States and the British Isles as well. It is obviously difficult for small shareholders under such circumstances to organize effectively in their own interest and the difficulty is made still greater because of the inadequate nature of the information given in financial statements of a number of holding companies.

Some efforts have been made in Canada to organize associations to look after the interests of investors. Some publicity was given last year to the Corporation of Canadian Bondholders, described as "a permanent non-profit organization which will act in such a manner as to ensure that the reorganization or adjustment of insolvent or distressed companies shall be guided by representatives having no interests, connections or affiliations which might be adverse to the securities to be represented by this corporation." That organization, which has not yet completed its final set-up, was established in the interests of bondholders who were at a loss as to how to act to protect their interests when default occurred. It asked an original subscription of $10 per member from investors. The precedent for this corporation was the British "The Corporation of Foreign Bondholders," organized in 1873 and still functioning.

Shareholder Needs Aid

But the case of the shareholder has not been taken up in Canada. And it should be. There have been many amendments to Companies Acts of various provinces but the investor has not been present either by proxy or directly to argue for his own protection. The Companies Acts, based on English company law, have many important principles embodied but they have lagged far behind the original model. In England even the Act of 1929 is regarded as having been rendered inadequate by developments of the last three or four years. The makers of company law have need to be vigilant both to preserve what is good in the old and to meet swiftly forming new conditions. At every point the investor has real interests at stake in what shall be enacted with regard to annual financial statements of companies and the degree of informativeness they shall have, the representations, services and remuneration of underwriters, holding company finance, the duties of directors and auditors and what procedure shall be followed in cases of bankruptcy.

An English Model

The Economist (London, England) in its issue of September 9, has an article on the activities of the Shareholders' Protective Association formed in October, 1932. This is a company limited by guarantee and without share capital, membership being open for an annual fee of ten shillings to all shareholders and debenture holders in public and private companies.

This association's scope is thus described:

"Though the Association may be expected, in due course, to press for the amendment of the company laws, its more immediate tasks are the organization of collective action in shareholders' interest and the representation of its members, as a proxy-holder at company meetings, when occasion demands. As far as possible it keeps a watchful eye on all company affairs and makes investigation whenever suspicion is aroused or information as to abuses is received. Apart from these functions it deals with a mass of enquiries from its members regarding the companies in which they are interested. What the Association does not undertake to do (very properly) is to advise its members upon the purchase or sale of particular investments."

Has Proved Itself

Already the association has taken the initiative on behalf of its members on various occasions, it is reported. It intervened to protect the interests of debenture stock holders which were affected by moratorium schemes proposed by Rhodesia and Mashonaland Railways and the Panama Corp. (Canada). Both schemes were modified as a result. It got a scheme of reorganization of United Caterers withdrawn and amended by directors; and it induced directors of another company to appoint new auditors and to instruct the latter to investigate the affairs of subsidiaries and to report to a shareholders' committee. In some cases, where the efforts of the association were defeated because of large management control being voted against it, it was really successful from the public point of view because it drew public attention to unusual states of affairs, and it made painfully apparent several bad loopholes in the law.

Makes Court Action Possible

It is possible that the association will now embark on another avenue of shareholder assistance, that of organizing collective legal action for shareholders. This is now beyond all but the wealthiest shareholders. By acting on behalf of 100 or more shareholders joint legal action can frequently be undertaken. In the case of the British Greyhound Investment Trust holders of 60,000 shares paid 1½ pence a share for an action taken by the association in their behalf to secure the removal of names from the register of members.

The Economist considers the real importance of the cases canvassed by the Shareholders' Protective Association, apart from the benefits to individual shareholders, to lie in the education of public opinion in preparation for amendments of the Companies Acts. By pursuing case after case, it is urged that legislative action can eventually be secured. The Economist thinks the financial basis of the association might well be broadened and its opportunities for effective service increased if it secured closer relations with the larger investment institutions and possibly with the Stock Exchange committee. Investment trusts and insurance companies have a real interest in the progress of such an association even when they have their own associations for self-defense. There would be value also in providing a regular channel of communication between the Stock Exchange committee and a representative body of investors. In the early stages support of strong investment interests, it is urged, would be helpful in a financial way.

Any Canadian organization would adapt means suited to the Canadian scene and needs of shareholders. The British example may be cited as an instance of what may be done.

Enquiries

Canada Malting

Do you consider Canada Malting is too high to buy at present market prices to hold for about 3 months?

Canada Malting Company's fiscal year ended July 31, 1933, and it will probably be a month before details of the financial statement will be available. It is understood that earnings have been on a good basis and somewhat ahead of the previous year. The company has paid $1.50 a share per annum ever since dividends began on March 15, 1928. On the average its earnings have been just about sufficient to maintain this dividend. Working capital is strong and the company has no funded or banking indebtedness. Equity per share as shown by the balance sheet is about $27.93 a share for 198,972 shares outstanding of no par value.

You ask if Canada Malting common stock is too high to buy at present market prices for a hold of about three months. The Financial Post does not advise about market fluctuations. This service engages only to give you whatever information it can to help you come to a conclusion.

To date one may consider average earnings to have been about $1.50. Applying the old rough market measure that a stock should sell at about ten times its earnings, this stock would seem to be at a good investment level at around $15, $16, $17 or $18.

The question of present earnings, however, does not enter into the calculations of those who took this stock from 13½ to 40. It has been running around 34 in recent weeks. That is probably both a reflection of the fact that earnings have been somewhat better in 1933 and also because of the great public interest awakened in the situation across the line where prohibition may end early in 1934 or even before. Demand for malt just now is high, and all plants are running at capacity all day and night, it is reported.

This company has plants in Toronto, Montreal, Winnipeg and Calgary and is in a position to take advantage of an U. S. export business that may be available. Such business may, of course, be temporary, as United States supplies of malt are bound to be developed rapidly by its own companies. Apparently the present price has gone pretty far in discounting the advantages the company may secure from this situation. There is always the possibility that Canada Malting may [illegible] in manufacture in the United States in a large way. The interests which founded this company did a large business in the United States and it would be an interesting whirl of the wheel if it opened up again.

The Market's Trend

Do you think the world's condition will keep the market on the upward trend for the remainder of the present year?

Business made a most encouraging advance on this continent and in the British Isles up to September. There has been a seasonal lull since then, but do not ask us to predict how long it will last. The Old World bears a heavy pack and it is possible that a slow recovery would be best for all concerned. No one can see the end of the road with the dust clouds thrown up by inflationist senators in the United States, talk of France being forced off gold to protect its foreign trade, and the strong protests made by many conservative financial men on two continents against any steps which will lead once more to currency chaos.

In nearly every country there is a fight on about currency, financial and national industrial policy. Pressure of political majorities might easily lead to a relaxing of control and an upward trend of prices. It would be a bad policy for governments facing heavy conversions of their own government securities this fall. British Empire policies appear to be definitely co-operative with relation to currency, credit and exchange trends but they are evidently warily managed at present to keep adaptable to any sudden changes that may come in France or the United States.

Meanwhile, the stock market still discounts continued improvement, not only for the remainder of the year, but in 1934. Compared with depression levels stocks are still showing a high level of hope to exist with regard to many companies. As that hope expands or deflates with political and other events, bound to occur in the next four months, the stock market will act as a barometer.

The present United States Government appears to us to be committed to taking every measure, monetary or otherwise, likely to effect greater improvement in business. Until unemployment disappears in great measure success cannot be claimed for the policies followed out so strenuously under the National Recovery Act. The Government still has lots of ammunition to fire, and as the rate of recovery slackens the amount spent on huge Government construction programmes may increase and additional credit or currency may be put out in connection with these. The restoration of farm purchasing power there as here is a development devoutly to be wished. It is not an affair of three months: it will take years. Success is probable if control of production can be achieved.

The great difficulty for the United States—and hitherto in economic history the impossibility for more than limited periods—is to make effective its policy to raise prices and limit production at one and the same time. It is being done now in the oil industry, where much of the curtailment machinery had already been created and where National conservation needs give it a color of right. Companies are comparatively few, but what a herculean task to raise agricultural prices and curtail farmers' enthusiasm for raising more hops, wheat, corn, cotton, potatoes, etc.

Dominion Bridge

I hold stock in the Dominion Bridge Co. and would like to hear of any current developments affecting the position of the company.

Earning power of Dominion Bridge Co. has been on a small scale in the last two years owing to the cessation of new engineering projects and building. There has been a slight pick-up in construction in the last two months; a fact which has affected the market value of the securities.

Buying of the company's stock in recent months has been based largely on the assumption that if any inflationary programme is undertaken by the Federal or Provincial Governments such a plan will incorporate work of a type to provide Dominion Bridge with a large volume of business.

Bell Telephone

One of my largest stock holdings is in the Bell Telephone Co. of Canada. I am somewhat worried about the ability of the company to continue dividend payments at the present rate and also about the loan made by the company with the American Telephone and Telegraph as this may have to be redeemed at a substantial premium. Have you any information on the company's dividend policy and the status of the loan with A. T. and T.

We have made enquiries as to the current position of the Bell Telephone Company, and are informed that the company is in a position to maintain its present dividends. The earning power of the company, of course, has been affected by business conditions, but with a return to a more normal state of affairs the company is in a position quickly to restore its income.

As far as the loan with the A. T. & T. Co. is concerned, we are informed arrangements have been made with the American company whereby this advance can be taken care of under conditions which do not impose any hardship upon the Bell Telephone Co.

Sherwin-Williams

It would be appreciated if you would let us have your opinion on the common stock of Sherwin-Williams Co. of Canada. What are the prospects for an early resumption of dividends?

Sherwin-Williams Co. of Canada is one of the largest and strongest of Canadian paint companies. Its business, of course, has been affected by the depression and the management has deemed it desirable to defer dividends on capital stock in order to conserve liquid resources. The balance sheet at the end of the last fiscal year, August 31, 1931, indicated a satisfactory position. Since then, we are informed by the management that sales have been relatively satisfactory, and financial returns for the year ended August 31, last, are expected to show a further improvement in cash resources.

No immediate hope is held out for resumption of dividends. The preferred stock is cumulative as to dividends and is now in arrears since the beginning of the year. These arrears would have to be cleaned up before any consideration could be given to the common stock.

Service Stations

I hold a number of shares of Service Stations preferred bought at 101. Dividends were passed in June, 1932. Kindly give me your opinion regarding the holding of this stock.

Despite present stringency, the prospects of the preferred stock of Service Stations Ltd., for a long hold may prove favorable. The company at its last annual meeting revalued its assets, drastically cutting down fixed assets and other valuations. The company's earnings naturally fell very much with the demoralization of the oil industry during the last few years. During the great expansion period of the oil industry the demand for its products was very great. From now on, with the industry already overmanned, earnings in the service station equipment department must represent in the main substitution of new for old and obsolete equipment in existing service and filling stations.

The company, however, has a number of other departments and apparently has been having some success. No information is given to the public as to how profitable the oil burner, refrigerator, gas stove and other departments have been, but the company is well managed and directed, is financially strong, it apparently has capable direction both in its Canadian and United States plants, and it should be in a better position than most of its competitors to take advantage of any business offering when business recovery gets well into its stride.

Hiram Walker in U. S.

What is the likelihood for Hiram Walker-Gooderham & Worts realizing enough to make present prices conservative? Are we fooling ourselves? Would it look different if we were on the United States side of the line?

On another page The Financial Post reviews the whole distillery situation. Here we may add, to show that United States' views are about the same as those held in Canada the following opinion expressed by the Wall Street Journal in answer to a subscriber who inquired about this stock:

"Hiram Walker-Gooderham & Worts, Ltd., is one of the leading distilling enterprises of Canada. The company is currently building a $1,000,000 American plant in Peoria, in anticipation of the repeal of the Eighteenth Amendment. It has some 14,500,000 gallons of aged whisky on hand, which it carries in its books at 50 cents the gallon.

"There are about 460,000 shares of $1 preference shares outstanding (redeemable at not more than $20 a share) and 660,000 common shares. The preferred stock is receiving dividends at the stated rate.

"Taking the 50-cent-a-gallon valuation of whisky stocks on hand, Hiram Walker's current assets at the close of 1932 totalled almost $14,500,000, as against current liabilities of only $257,194. The whisky, at present prices, is worth more than $50,000,000, instead of $7,250,000 as carried on the books.

"Profits in the fiscal year ended August 31, last, should be much the same as in the preceding year, when they amounted to $255,257. Hiram Walker has no bonds or bank loans.

"In pre-prohibition years the company did a substantial business with this country, its 'Canadian Club' brand being particularly popular. While the tariff barrier must be borne in mind, it is not unlikely that Hiram Walker will reap fairly good profits on renewed American business.

"Stocks of whisky on hand in this country are low in proportion to the anticipated early demand following prohibition repeal. Hiram Walker common is quoted currently around 44, which, of course, makes it decidedly a speculation."

Consol. Invesment

I hold some Consolidated Investment Bonds but have not yet received the new security which I was told would be issued when the reorganization was approved. Can you let me know when they are going to distribute the new bonds and also the current position of the company?

A reorganization plan for Consolidated Investment was, as you are aware, approved by the bondholders. The new bonds have been in process of distribution for some time and you can arrange to transfer your old bond for that of the new company. We might mention that upon the completion of this transfer, you will receive cheque for 2½ per cent of the face value of the bonds—1 per cent being paid upon transfer, and the balance representing the initial payment of interest on the new bonds.

The position of the company has undergone improvement this year. The valuation of the securities was undertaken at the end of last year. Since that time security values have appreciated and the company's portfolio shows a market value in excess of that noted on the books.

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

International Rackets

CLEARING houses for criminal information at Washington and at Vienna, Austria, are being formed to co-operate in preventing international rackets.

* * *

Bug Powder for Morons

WHAT Uncle Sam needs is not life imprisonment and lashes for criminals so much as bug powder for the morons who idolize the criminals. And a double dose for those who make a national celebrity of every female, guilty or not guilty, who gets herself into a jam.—R. M. Harrison in Border Cities Star.

* * *

War on Kidnappers

THE war on kidnappers in the United States is becoming more intensive and some progress seems to have been made in arousing public opinion against these racketeers, thus stimulating official action.

One kidnapper was shot dead in a market in San Francisco in the presence of his victim, William F. Wood, cousin of the late President Taft. The kidnapper killed a policeman before he was shot and wounded a woman.

This case is somewhat unique in that the kidnapped man was taken about the streets in daylight on several occasions by his captor who usually kept a revolver pressed to his victim's side and had threatened to kill him if he made any outcry. In this manner they had gone to a bank, where the victim was forced to open his safety deposit box and hand over a large amount of cash.—Welland-Port Colborne Evening Tribune.

* * *

New York's War on Rackets

GOVERNOR HERBERT LEHMAN of New York State recently signed a bill giving sweeping authority to the Attorney-General to combat racketeering and another bill to outlaw the sub-machine gun. The latter bill becomes effective October 1 and attaches to the sub-machine gun the same onus previously given to the machine gun in the penal code. The possession, transportation, use or purchase of a sub-machine gun by anyone other than a policeman becomes a felony under the new law.

The anti-racketeering law guarantees the free use of any activity in the manufacture, production, transportation, marketing or sale of any commodity, or in service, transportation or trade practice. Sweeping powers are given the Attorney-General to investigate business activities or services, such as the "protection" agencies by which racketeers extort fees from business men.

Governor Lehman also signed a bill making death the maximum penalty for kidnapping. The measure is a direct result of the abduction of John J. O'Connell, Jr., and leaves with the jury the discretion to recommend death or an indeterminate sentence of from 20 years to life upon kidnapping convictions.

* * *

Silicosis Racketeering

BUSINESS WEEK", reports silicosis suits totalling over $30,000,000 as having been brought against upstate New York foundries during the last year or so. At the completion of a 3 mile tunnel in West Virginia recently 200 damage suits aggregating $4,000,000 were filed against the contractors. Construction, quarry and mining industries, foundries and glass works are greatly concerned over this rapid increase in silicosis suits.

This occupational disease is caused by long exposure to dust containing free silicandioxide, present in most rock formations. It forms microscopic particles that are controlled by wet drilling or ordinary ventilation measures. One or more year's exposure has produced fatal results 16 to 20 years later from fibrosis of the lung tissues. There is no known cure.

Canadian compensation laws take this disease into account. In South African mines employees who contract the disease are cared for. No State action has been taken in the United States but the recent epidemic of lawsuits is bringing earnest attention. It is a real menace but legal racketeers are taking advantage of the situation. One plaintiff was a man who worked two days, and one was a water boy who never worked in the tunnel. If this racket hastens the development of preventive organizations and equipment, it will probably have justified itself.

Canadian mining companies are used to "smoke" farmers who claim damage to crops from escape of gas in smelting. They also have to provide workmen's compensation under provincial laws on proven cases. Many preventive measures are undertaken, but it still remains one of the most serious problems in occupational diseases. Because it is a serious menace it affords all the greater opportunity for the racketeer.

* * *

Releases Laundry "Czar"

COUNTY Judge Alonzo G. McLaughlin in Brooklyn recently imposed suspended sentences on Jacob Mellon, known as the Brooklyn laundry czar, and two of Mellon's associates in the Affiliated Laundry Owners' Club, Edward Lollo and Morris Rothenberg. In other words, he freed them. These three men three weeks earlier had pleaded guilty to criminal charges of conspiracy after ten days trial during which laundry owners accused them of virtually controlling the $250,000,000 industry by a system of intimidation which frequently employed violence and sabotage.

The trial had been full of incidents. One complainant refused to testify on the ground that he was in fear of his life and he was lodged in jail as a hostile witness. The jury was locked up every night. Several witnesses and spectators had to be ejected.

Addressing the prisoners, the judge said:

"The career of the laundry trade and affiliates in Brooklyn during the last few years, due largely to cut throat charges and starvation returns, has been one of chicanery, pillage, sabotage, larceny, robbery, arson, assault, burning of laundry bundles, enticing away of employees, stealing of routes and customers, contract breaking, extortion and even kidnapping. It was for the purpose of doing away with these conditions that your organization was allegedly formed. But your organization departed from the path of rectitude when in its endeavors to control trade and stifle unfair competition it resorted to the same unlawful practices that had been invoked by others."

The judge continued to say that under the National Recovery Act now being applied to stimulate business and stifle unfair competition the old anti-trust laws were being cast aside and business men were authorized to co-operate in the solution of their problem. Co-operation was no longer conspiracy. The laundry interests were about to adopt a code under the N. R. A. and with that code adopted all unfair competition should and must be stamped out. The judge said the defendants were owners of laundries and operatives and that their investment in the laundry interests was very large. He did not feel that they were racketeers that preyed upon the laundry business. They had sought to offset unfair, illegal and dishonest practices not covered by law, but adopted illegal methods to protect the laundry industry in which they had invested heavily. He enjoined them to hold no office in any laundry organization and told them they were not to make reprisals against anybody. Any sort of violence against any of the complainants, their families, their business or their property would result in the immediate arrest and confinement in the penitentiary.

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Canada Radium Mines

About a year ago I bought some shares of Canada Radium Mines, with head office in Toronto, and have had no report of this company for some time.

I would therefore be glad if you could kindly give me some idea as to the standing of the company and what you think of their future outlook.

Canada Radium Mines is developing its property near Wilberforce, Ontario. It has a shaft down 250 ft. and considerable lateral work done proving up the downward extension of the veins found on the surface. Indications are that the money raised is being intelligently spent, but at the present time there is no reliable appraisal as to the tonnage or grade of ore. Plans call for the construction of a 150 ton mill.

A market is said to exist for concentrates but only time will tell the measure of success the undertaking will enjoy, as it is pioneering a new field of effort. The group behind the company is composed of well known business men of integrity.

Central Patricia Gold Mines

What information can you give me regarding Central Patricia Gold Mines? Has it any ore and what chances has it of making a profitable mine?

Central Patricia Gold Mines is equipping its property with a 50-75 ton mill planned for operation early next year. It has a substantial tonnage of commercial ore blocked out and estimated by John Reid, one of Canada's outstanding geologists at 33,155 tons containing $454,555 with gold at normal value. Although the property is 110 miles from the railway, it is believed that a profit can be shown on operation and with the block of ore as a backlog, development will be continued in the hope of proving up its extension. This company is adequately financed and managed by well known, capable mining men.

Canadian Kirkland Mines

What are the prospects of Canadian Kirkland Mines? How close is it to the producing mines and has it real mine-making possibilities?

Canadian Kirkland Mines recently resumed work to give a further test to its property some two miles west of the producing zone at Kirkland Lake, the greatest gold producing camp on the continent at the present time. There is evidence that the main fracture zone extends westward to the Canadian Kirkland property, but devedopment in past years has not demonstrated its importance. Only a well financed, well directed programme will determine whether the property has importance or not. The company has never had sufficient funds to carry out a conclusive programme. Some good people are behind the effort.

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LUMBER TARIFF PUT ON SCHEDULE FOR OVERHAULING

Archaic Features of Present Duties to be Ended

It is understood that the lumber schedule in the Canadian customs tariff is due for revision at a not-far-distant date and that trade and forestry officials at Ottawa have begun preliminary work on it. The whole customs tariff is unbalanced and badly in need of revision and rewriting, and it was supposed that this would be one of the early tasks of the Tariff Board, but that body will have to step on the accelerator much harder than it has if it is to complete such a task within the present generation. The lumber schedule, however, is particularly in need of rewriting, and the prime minister being himself interested in the lumber business and having taken a leading part at the recent London Conference in having the Russian timber situation adjusted to Canada's satisfaction, has probably inspired the present action.

Many archaisms are to be noted in the present lumber schedules. For example, provision is made in it for square timber, which passed out of existence with the adze and the colorful river drivers on the Ottawa and the St. Lawrence. Sawn timber is the term now used and for tariff purposes it does not matter whether it is square or some other shape, as the duty should be assessed on the number of board feet contained. The revision, while probably not altering rates of duty appreciably, will make for a modernly worded and much more easily administered lumber tariff.

St. George Pulp Plant Overhaul Near Completion

From Our Own Correspondent

MONTREAL.—St. George Pulp and Paper Co. is preparing to resume operations after being idle for more than a year and a half. A number of men are now engaged in reconditioning the machinery, and it is expected work will be completed within the next two weeks.

One drawback to resumption of operations exists, however, in that the water in the river is unusually low at present. The grinders in the mill are powered by water driven wheels and the plant cannot resume activities until the river level rises.

With a production capacity of 50 tons a day, St. George Pulp and Paper Co. plant was purchased early last month by the Port Royal Pulp and Paper Co., of Saint John, N.B. It produces groundwood pulp and its reopening is a matter of interest to New Brunswick pulpwood operators who will benefit directly and indirectly from the operation of the mill.

Extend Wharfage Facilities for McColl-Frontenac Oil

From Our Own Correspondent

MONTREAL.—Further wharf construction has been undertaken in the Harbor of Montreal at the request of the McColl-Frontenac Oil Co., which has need of additional frontage for tankers arriving here with petroleum for the firm's refinery or gasoline in bulk. The new work comprises solely the extension of an existing wharf at Montreal East and will probably be completed within the next six weeks.

The extension will be some 340 feet in length and provides McColl-Frontenac Oil with a wharf similar in size to several others created in the Montreal East section of the harbor for other firms.

Annuity Rates Raised By Leading Companies

Life insurance companies, having found during the past year or two that their rates on annuities have been too generous, have now taken action to raise these rates to a figure at which they will be able to handle the business without drawing on reserve. While all companies have not yet raised their rates, two of the most prominent writers of this class of business have done so, and it is expected that the others will follow suit.

This action by Canadian life companies has been forecast in past issues of The Financial Post, it being pointed out that the generally lower trend of interest rates which is expected for the next decade at least would force the hand of the companies.

Rates for Government annuities, often maintained by life company actuaries to be unsound, have not been changed, however, The Financial Post learns. In fact, the rates charged for Government annuities have not been changed since the inception of this plan. The government, however, has recently lowered the interest calculations which it allows on deferred annuities.

Two factors are generally credited for this rate revision, one being the generally lower trend of interest rates and the other that the life experience has been better.

Nfld. Considers Improving Port On West Coast

Investigations are being made into the possibilities of making Port Aux Basques a winter shipping port for International Paper & Power Company of Corner Brook, Newfoundland. Port Aux Basques is on the extreme southwest corner of the island.

At present the company exports its product through the Bay of Islands, at the head of which its plant is located. This route is blocked four months of the year by ice. It is understood that the company expects to have an initial shipment of 50,000 to 60,000 tons of newsprint during this period, if the new port is created.

The present proposal is to make piers in the inside harbor at Port Aux Basques, and to deepen the basin to 26 feet. It will be necessary to determine whether this can be done without striking bed rock. Otherwise, the plan would not be feasible.

Newfoundland Notes

Cod Fishery—Good catches are reported from some areas where squid is sufficient for bait. Scarcity of bait has hampered operations. Quality of fish is reported better. Satisfactory prices are reported for good quality fish, $6 a quintal being reported in one instance. Oporto buyers report quality of Newfoundland cod fish shipped there this year much superior to past years. Oporto consumers are understood to prefer Newfoundland cod to the Iceland variety if quality is good.

Agriculture — Crops on the west coast are reported as satisfactory. Potatoes, cabbages, and wheat are said to have shown excellent results.

WESTERN FARMS CAN'T PAY DEBTS ON 1932 PRICES

Costs Exceed Revenue Per Bushel of Wheat, Says Economist

With wheat prices at a high level the debt burdens of prairie farmers provinces would be serious, states Professor W. Allen of the Farm Management Department, University of Saskatchewan, in a paper recently presented to the Canadian Society of Agricultural Economics. With wheat at prices obtained from the crops of 1931 and 1932, no reasonable hope of settlement can be entertained, stated Mr. Allen.

With partial recovery of wheat prices, payment of these debts will be facilitated even with moderate costs, it was stated. Somehow debts will be settled. They may eventually be paid in full, Mr. Allen said, perhaps met on an adjusted basis, or there may possibly be repudiation. In all probability, each method will be employed, the speaker stated.

Costs Exceed Revenues

Costs and farm revenues per bushel of wheat are worked out by the University. Mr. Allen indicated that cost is now greater than revenue per bushel and farm debt has been growing in the west. His figures on these are, in part, as follows:

"Since 1928 the total values of wheat crops have declined tremendously. . . . In 1928 the farm price was 78 cents per bushel; in 1929, $1.03; in 1930, 47 cents; in 1931, 37 cents; and in 1932, 29 cents. Drastic reductions of revenues from other farm enterprises have also been experienced. . . .

Costs for 1931

"Studies made in six areas of Saskatchewan covering the crops of 1925 to 1928 indicated the cost of production of wheat to average $22 per acre, and $1.09 per bushel. But the range in cost of production was very considerable, on 15 per cent of the farms exceeding $30 per acre. During this period the average price of wheat on the farms was slightly over a dollar per bushel.

"In 1931, studies were made of 537 farms in 6 areas of Saskatchewan and Alberta. The average operations was carefully studied.

"The total costs of growing the 225 acres of wheat. . . .are $1,951 or $8.68 per acre, or 55 cents per bushel. This is by no means the average cost for all the farmers.

Returns Show Losses

"Returns from the sales of wheat at the average farm price of 30 cents per bushel, for 3,540 bushels amount to $1,062, or $4.72 per acre. The loss on this enterprise, $889 is equivalent to $3.96 per acre, or 25 cents per bushel. The total returns are only $70.84 over the minimum of cash costs, and only two cents over these direct cash costs per bushel. With wheat selling at 30 cents per bushel on the farm, the loss per hour of human labor is 40 cents. If no charge is made for the use of land the loss per hour of human labor is 15 cents.

"Studies of farm indebtedness were commenced by the university in 1932, and will be continued for several years. . . . Reports were obtained which included 408 owners and part-owners of farms. . . Eighteen farmers claimed to be free from debt. The average debt of the remaining 390 farmers was $7,588 per farm, or $16.88 per acre of cropland, or about $33 per acre of wheat. On one-third of these farms the debt exceeded $20 per acre of cropland.

Debts Increased

"From 1930 to 1932, the indebtedness had increased considerably—in one area by $1.55 per acre of cropland, from $12.86 to $14.41; and in another in which crop failure was experienced in 1931 by $6.40 per acres of cropland, from $19.50 to $25.90. Much of the present debt has been incurred during the past 8 or 9 years—and has resulted from contracts to secure or enlarge farms, but during the last 3 years other debts have been unavoidable. To pay interest on the present farm debt of Saskatchewan would have required about two-thirds of the wheat available for sale from the 1932 crop, and to pay current taxes would have taken most of the remainder."

Donnacona Pulp Starts Machine for Export Trade

From Our Own Correspondent

MONTREAL. — Forty additional men have been given work at the plant of the Donnacona Pulp and Paper Co. as a result of increased operations. The company recently brought into operation a pulp making machine which had not been used for two years.

Pulp manufactured in this unit will be shipped to Europe. If the innovation is successful a second machine may be placed in operation and the output further increased with another increase in employment.

Export of Farm Implements

The export of farm implements and machinery in July was valued at $170,199 compared with $142,507 in July last year. The value of the consignments sent to British South Africa was $56,333 and to New Zealand $38,897.

Netherlands Send Us Potato Flour

Shipments of potato flour, the principal potato by-products of the Netherlands, to Canada in 1932 amounted to 258 metric tons.

Insurance for Buyer and Seller

SIXTEEN GUILTY IN ARSON TRIAL AT OLD BAILEY

British Frauds of Interest Here as House Fires Increase

In one of the most notable British arson trials on record, sixteen defendants were recently found guilty at the Central Criminal Court, "the Old Bailey," in London. The case, which took six weeks to try, is of interest in view of the recent increases in Canadian residential fire losses.

The action was brought by large London underwriters, and under the supervision of Sir Tindal Atkinson, Director of Public Prosecutions. Although sixteen were convicted it is understood that over 100 were implicated in the insurance frauds. It is believed that the underwriters who bore the heavy cost of the trial were satisfied to convict the ringleaders only.

It is estimated that Lloyd's and various insurance offices have lost over £2,500,000 on fraudulent claims, due to the arson racket, in the last ten years. Claims for tens of thousands of pounds sterling were made on underwriters during the course of fraudulent fires engineered by those convicted. According to the evidence, the particular fires which led to the court action started in 1925.

History of Fires

Expensive fires continued to break out over a six or seven year period. They were mostly in the large manufacturing and commercial centres, such as London, Manchester and Leeds. They were chiefly of a commercial nature. Large warehouses and factories allegedly containing substantial stocks of goods, were burned in the various cities. Instead of remaining moderate in size the fires became larger and more frequent as time went on.

It developed in the course of the evidence that in the latter stages of the racket, companies were being formed to take over plants or warehouses to conduct sham businesses, purely for the purpose of being set on fire. In making claims, faked invoices increasing the value of the goods destroyed, and augmenting the claims, were submitted. Underwriters were forced to accept many of the claims. But some were rejected and some reduced. Underwriters were suspicious, but were unable to get evidence to confirm their opinions.

The fraudulent insurance scheme was exposed through one Priest, one of those later accused, and who pleaded guilty. He told a friend he knew where money could be found to set up businesses and, in the event of their ill-success, set fire to them and collect the insurance money. A report of his admission reached an official of Lloyd's Intelligence Department who confirmed the news in a conversation with Priest.

Solicitor in Action

The Lloyd's official carried this information to W. C. Crocker, solicitor for many of the large London underwriters. Mr. Crocker, famous for his work in uncovering many fraudulent insurance claims, worked for nearly two years tracking down the conspirators. He was aided materially by an Italian named Capsoni, who confessed to having lit several fires himself. Capsoni co-operated with Mr. Crocker and Sir Tindal Atkinson throughout the collection of the evidence against the criminals. A sensation had been caused with the issue of the first warrant on February 2, 1933. Leopold Harris, a supposedly respectable London assessor was named along with Priest and Harris's brother-in-law, one Harry Gould.

The success of the underwriters in prosecuting their case against the criminals is believed to have saved a great deal of trouble for British underwriters. However, the arson racket and other insurance frauds continue to recur from time to time in Great Britain and elsewhere. In this case, it is pointed out that the conviction of only a few of the known participants in the fraud leaves a dangerous loophole.

Unusual Case

From the legal viewpoint there were many elements of interest in the case. Sentences passed on the prisoners totalled 284 years, but many of them were to run concurrently. Harris, the ring leader, was given sentences amounting to 168 years, but will actually only serve 14. Other sentences ranged from four months to five years each.

The summing-up of the case by Mr. Justice Humphries is estimated to have run 100,000 words. Since the jurymen had sat longer than any others in the history of the court, they were exempted from further jury service for life. Ten volumes of exhibits were entered. The summing-up took 13 hours. The jury took 4½ hours to consider the 141 counts involved. The case is expected to stand as a landmark in long distant trials in British courts.

New Licenses Issued

North British & Mercantile Insurance Co. Ltd. has been granted a certificate of registry authorizing it to transact in Canada the business of personal property insurance in addition to the classes for which it is already registered.

Railway Passengers Assurance Co. has been granted a certificate of registry authorizing it to transact, in Canada, the business of personal property insurance in addition to the classes for which it is already registered.

Text of Agreement to Buy Out Partner

Vitally Important Document Should Always be Drawn by Lawyer — Covenant to Buy Partner's Interest on Decease

By R. M. HAULTAIN

Specimen Agreement Prepared by ELLIS W. CLARK.

When two or more partners in a firm agree between themselves that it would be better for the survivors to buy the interest of the first to die than to be in business with the deceased's widow, then a written agreement, put into legal form by a lawyer, becomes of paramount importance.

Executors are not concerned with a verbal agreement stated to have been made ten or twenty years before death.

Desires of Shareholders

The following is an example of an agreement where there are two shareholders in an incorporated company, each holding an equal interest. The desires of each shareholder in this case are:

(1) To acquire his partner's interest if his partner should be the first to die.

(2) To create a guaranteed cash market at full value for his own interest if he should be the first to go.

(3) To strengthen the firm's credit standing.

(4) To build a liquid cash reserve that could be called upon in an emergency.

THIS AGREEMENT made in triplicate this ...... day of ...... A.D., 1933,

BETWEEN:

JOHN DOE and RICHARD ROE, both of the City of Toronto, County of York, Province of Ontario, herinafter called the parties

of the FIRST PART and

Blank Trust Company, hereinafter called the Trustee

of the SECOND PART

WHEREAS, the parties of the first part are the principal shareholders in The John-Richard Company, Limited, a Corporation carrying on business in the said City of Toronto, (hereinafter referred to as the Corporation) and are both actively engaged in the business of the said Corporation; and

WHEREAS, the said parties of the first part are desirous that upon the death of either of them the survivor shall be enabled to purchase the deceased party's stock in the said Corporation, so that the deceased party's estate will receive a fair price for the deceased party's stock, and at the same time the affairs of the Corporation shall remain in experienced hands; and

WHEREAS, to accomplish their purpose the parties of the first part have taken out certain policies of insurance upon their lives, and have assigned the said policies to the party of the second part as Trustee hereunder.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH:

1. That the Trustee acknowledges that it has received from the parties of the first part the insurance policies listed in Schedule "A" hereto, together with assignments of said policies to it as Trustee. Other policies of insurance may from time to time be assigned and delivered to the Trustee by joint action of the parties of the first part, and such policies shall thereupon become subject to this agreement. Policies of insurance may also be withdrawn from the operation of this agreement from time to time by joint action of the parties of the first part, and the Trustee shall be authorized upon the written direction of the parties of the first part to assign and deliver any policies held by it hereunder to such persons as the parties of the first part may specify. Any policies made subject to this agreement or withdrawn from the operation of this agreement shall be listed in Schedules numbered consecutively.

2. That the insurance policies upon the life of each of the parties of the first part and all further policies upon his life assigned from time to time to the Trustee hereunder, shall be carried by the other party, and such other party shall pay the premiums thereon.

3. The party of the second part as Trustee hereunder shall hold the policies of insurance from time to time subject to this agreement during the lives of the parties of the first part, but shall be under no obligation to pay any premiums thereon or to see that such premiums are paid. The said party of the second part agrees to act as Trustee hereunder, and upon the death of either of the parties of the first part to use its best efforts to carry out all the terms of this agreement.

4. Upon the death of either of the parties of the first part, the stock of the Corporation owned by such deceased party at the time of his death shall be sold to and purchased by the survivor of the parties of the first part at a price determined as hereinafter provided. The Trustee shall collect the proceeds of the insurance policies then held by it upon the life of the deceased party, and the purchase money for the deceased party's stock shall be in fact the net proceeds of such policies.

5. Upon the death of either of the parties of the first part the Trustee shall cause to be made an inventory of the assets and liabilities of the Corporation, and shall also cause to be made a valuation of the goodwill of the Corporation upon the following basis: The average net yearly earnings of the Corporation for the ten years immediately preceding the deceased party's death shall be ascertained, and "net yearly earnings" shall mean the net yearly earnings remaining after deducting taxes, salaries and all other expenses of the Corporation and also six per cent on the invested capital of the Corporation. The said average net yearly earnings shall be multiplied by two, and the result shall be the value of the goodwill. The net value of the assets of the Corporation as disclosed by the inventory above mentioned plus the value of the goodwill shall be the net worth of the Corporation, and the purchase price of the deceased party's stock shall be a proportion of such net worth, in accordance with the number of issued shares of the stock of the Corporation.

6. The deceased party's administrators or executors shall deliver to the Trustee the stock certificates representing the deceased party's stock holdings in the Corporation, endorsed in blank. If the net proceeds of the insurance policies upon the deceased party's life are sufficient or more than sufficient to pay the full purchase price of the stock, the Trustee shall deliver the stock certificates to the surviving party and shall pay over all of the said net insurance proceeds to the deceased party's executor or administrator. If, however, the net insurance proceeds are insufficient to pay the full purchase price, the said proceeds shall be paid over to the deceased party's executor or administrator as a first payment on the purchase price, and the surviving party shall pay the balance of the purchase price in five equal consecutive yearly installments, together with interest at seven per cent (7%) per annum upon the amount remaining from time to time unpaid, payable yearly, the first installment of principal and interest to be due one year from the deceased party's death, and the surviving party shall execute a series of notes for the said installments of principal and interest payable to the deceased party's estate and shall deliver the notes to the Trustee. The Trustee shall release to the surviving party a portion of the deceased party's stock in proportion to the amount of the purchase money paid and shall release portions of the said stock from time to time as the successive installments are paid. In the meantime as long as he is not in default hereunder the surviving party shall be entitled to vote the stock and receive all dividends thereon.

7. In the event of either of the parties of the first part disposing of his stock in the Corporation at any time during the joint lives of the parties of the first part, the party so disposing of his stock shall within two months pay over to the other party a sum equal to the then cash surrender value of the policies upon the life of the party leaving the Company, and the Trustee shall thereupon assign to such party the policies upon his life. The party leaving the Company, in order to pay over such sum to the other party, shall have the right to borrow the said sum upon the security of the policies themselves. In the event that the party leaving the Company does not comply with the above provisions within two months, the Trustee shall surrender the policies held by it upon such party's life to the respective insurance companies issuing the same, for their cash surrender value, and shall pay over the amount of such value to the other party.

8. In the event of this agreement being terminated for any reason, prior to the death of either of the parties of the first part, the Trustee shall assign to each of the parties of the first part the insurance policies held by it upon his life, to be held by him, free of all claims upon or against the said policies by the other party.

9. This agreement may be amended or revoked at any time by joint action of the parties of the first part, provided that the duties, powers and responsibilities of the Trustee shall not be changed without its written consent. This agreement shall automatically terminate upon:

(a) The sale by either of the parties of the first part of his stock in the Corporation.

(b) The dissolution, winding up, bankruptcy or insolvency of the Corporation.

10. The parties of the first part may at any time by joint action, borrow upon any of the insurance policies subject to this agreement such sums as they desire, and the Trustee shall be authorized upon their written direction to deliver any of said insurance policies to such persons as they may specify, and to execute and deliver such waivers, releases, consents and other instruments as may be necessary to enable them to borrow as aforesaid.

11. This agreement shall be binding not only upon the parties hereto, but also upon their heirs, executors, administrators, successors and assigns.

12. Upon the death of either of the parties of the first part, the surviving party shall have the right to purchase from the Trustee the insurance policies held by the Trustee upon the survivor's life, by paying the then cash surrender value of such policies to the Trustee within two months of the deceased party's death, and in order to pay over this sum he shall have the right to borrow the same upon the security of the policies themselves. In the event of the surviving party exercising his option the Trustee shall assign the said policies to him and shall pay over the cash value of the policies to the deceased party's executor or administrator. In the event of the surviving party not exercising his option within sixty days of the deceased party's death the Trustee shall surrender the said policies upon his life to the respective insurance companies issuing the same and shall pay over the said cash surrender value to the deceased party's executors or administrators.

13. The Trustee's fees, etc.,

IN WITNESS WHEREOF, etc.

Valuation of Goodwill

The various clauses of the above agreement are self explanatory with the exception of the method used in clause 5 to value goodwill. The formula known as the "year's purchase method" was used. It is the intention to discuss more fully in a future article of this series methods of valuing goodwill for business insurance valuations.

It should be borne in mind that these agreements, while adhering in general structure to the tried and proven principles of business insurance, will vary for each case to fit the conditions encountered and the wishes of the parties to the agreement. It cannot be stressed too strongly that it is the duty of the life underwriter who promotes and plans the case to see that the agreement is put into legal form by a lawyer.

Mr. Haultain, who has made a special study of business insurance, is attached to the Toronto office of the London Life Assurance Co. This is the seventh of a series of articles. Mr. Clark, who prepared the specimen agreement in this article, is associated with the Chartered Trust & Executor Co., Toronto.

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Bank Chat on Current Topics

Public Relations

IMPORTANCE of a bank's public relations with the public, both through its advertising and personal contacts has been a feature of the news in the past week due to the annual convention of the Financial Advertisers' Association held in New York. During the past month, the evidence given before the Royal Commissinon on Banking and Currency, has provided an interesting insight into the attitude of all classes of Canadian borrowers toward the banks although the Canadian depositor, that average individual with $400 in his savings account, has been noticeable by his absence.

Bank advertising in the United States has passed a stern test during 1933 and has not been found wanting. During the moratorium of March, it served sound banks well by maintaining public confidence. It is now being used to aid the N. R. A. and some banks are using it to broadcast their willingness to make loans. Advertising, of course, is only one angle of a bank's public relations. It reacnes the public in large numbers, appeals directly to a considerably smaller number who are finally sold on the individual bank by direct contact with the staff of that bank. The Canadian banks are particularly fortunate by having in their large staffs actual or potential promoters of business. If the evidence submitted before the Royal Commission is any indication, however, it would appear that there yet remains much to be done by bank men in educating the Canadian public. The idea of the soundness and conservatism of Canadian banks has been well sold but the banker can well afford to take the public into his confidence and give the reasons underlying some banking practices, such, for example, as service charges.

The banking investigation in Canada has brought banking problems into a prominence that they may not enjoy again for another ten years. Evidence submitted to the commission has shown that there is a great deal of ignorance or mis-information about banking in Canada. The branch manager usually holds a position of some prominence in his community and can do much to educate the public on banking.

* * *

Common Sense Necessary

PUBLIC relations do not consist entirely of educational activities by any means. An example of a case where plain common sense was necessary is cited by a speaker at the Financial Advertisers' Association convention. The moral of the story is the need for a trained, intelligent and informed personnel. The location is, of course, in the United States. The story follows:

"A few months ago in a western city, a prominent investment dealer came to his death by falling from a high window. His firm was a borrower in four local banks, with loans totalling perhaps half a million dollars. One of these banks, as I know beyond dispute, had its $100,000 loan collateralized with adequate margin. But I am getting ahead of my story.

"On the day after the broker's death, a woman depositor came into that bank to transact some routine business. As a savings teller made the appropriate entries she remarked, 'I guess Mr. So-and-so's death was quite a loss to the bank, was it not?'

"'Oh yes,' said the teller, who actually knew nothing about it. 'Mr. So-and-so's death was quite a loss and he will be badly missed by this bank.'

"'He was a heavy borrower here,' pursued the woman.

"'Yes, he had a good line of credit with us,' the teller bluffed, unwilling to admit that he knew absolutely nothing of the man's borrowings.

"'I hear your bank will lose at least half a million dollars on its loans to him,' the customer continued.

"It was now getting to the point where the teller had to make a bold stand, or disclose his ignorance. 'Huh!' he exclaimed as he walked to the rear of his cage, 'You don't know the half of it.'

"Fortunately for the bank in those skittish times, the thought of a million dollar loss so overpowered the customer that she simply had to have more details. She scurried to the desk of the nearest officer. What might have been the consequence, to the bank and to the community, of her carrying 'first hand' information of the bank's supposed loss, to family, friends, and neighbors, had she gone out of the bank without seeing an officer—I leave to your conjecture.

"While the enquiring customer has no right to confidential information, he has a right to be intelligently and truthfully answered. And the banker must see that he gets such answers."

Staff Changes

The **Bank of Nova Scotia** announces the appointment of:

J. A. YOUNG as manager of Bank and Glouchester branch, Ottawa, succeeding J. R. MOFFAT who is retiring on pension.

S. ROWSWELL, as manager at Sydney Mines, N.S.

J. J. YOUNG, as manager at Port Elgin, N.B.

H. ORMROD, as accountant at Bloor and Spadina, Toronto.

H. A. FILLMORE, as accountant at Moncton, N.B.

Current Events in Banking World

Commission on Banking Completes Public Hearings

General Managers of Banks Give Final Evidence — Toronto, Montreal and Saskatoon Submissions Given in Detail — Central Bank Favored

Evidence by representatives of the chartered banks featured the last two days of public hearings of the Royal Commission on Banking and Currency held in Ottawa on September 14 and 15. Point by point the bankers led by J. A. McLeod, president of the Canadian Bankers' Association, replied to the points that had been presented for the commission's consideration across the Dominion; points that had been summarized for their convenience by the commission. Sir Charles Addis, vice-chairman of the commission, addressing Mr. McLeod stated, "You have been subjected to a searching questionnaire and yau have given us a straight reply. You have refuted one by one the many ill-informed and, I may add, in some cases, malicious charges which have been levelled at the banks, and you have done so with a dignity and with a moderation, and with a frank sincerity which compels conviction. I believe your document will stand historically as a defence of the Canadian banking system . . ."

Principal witnesses for the banks were M. W. Wilson, vice-president and general manager of the Royal Bank, Jackson Dodds, joint general manager of the Bank of Montreal, H. J. Coon, Bank of Nova Scotia, H. B. Henwood, general manager, Bank of Toronto, H. T. Ross, secretary, Canadian Bankers' Association; S. H. Logan, general manager, Canadian Bank of Commerce.

The summary below concludes the evidence of all the sittings up to the first one held in Toronto and it also covers the first witnesses in Toronto. The summary will continue until all the evidence has appeared.

Sitting in Saskatoon, Sask., on August 22, the Royal Commission on Banking and Currency heard Mr. Bickerton, who outlined the steps taken by farm organizations in the west over the past 25 years to secure more credit at lower cost for western farmers. He maintained that the "lack of desire, or the inability, of the present credit instruments to function, has in a large measure brought about the present economic depression and the possible ruination of the farming industry. Through lack of credit facilities millions of acres of land in Western Canada have not been properly summer fallowed for the past three years and a great proportion of the land that has been summer fallowed has not had the proper subsequent cultivation with the result that the productivity of the land is being seriously interfered with. He stated that the bankers' central bank of issue and rediscount was advocated by some orthodox economist in Western Canada in 1919 and this, to some extent, is being advocated today. The establishment of the bank would only tend to further enslave our people."

Wants Socialized Structure

He submitted that the time had come when there must be established in Canada a socialized system of banking, currency, credit and insurance for the purpose of supplying credit for new productive equipment and to provide the necessary medium for exchange of good services. Only by the establishment of such socialized credit facilities, free from gold standard restrictions and the imposition of interest charges, would it be possible to effect economic reconstruction and recovery at this time.

The socialized banking system proposed would function in the interests of the people as a whole. Currency would be issued in accordance with the needs of the people, based on the amount of goods and services produced and used for direct consumption, the development of resources or for exchange of imported goods. A number of cases were mentioned where banks have by their refusal to grant credit placed farmers in a difficult position.

J. G. Campbell compared 1933 banking figures and population figures with figures in 1871. He claimed that the present system had enriched bankers and their affiliates and impoverished the Canadian people. He believed that there was only one solution and that is that the Government take immediate steps to institute a national bank in the interests of the Canadian people and refuse to extend the privilege of control of credit and currency to private interests.

Debt Chiefly on Land

Professor William Allen of the Department of Farm Management of the University of Saskatchewan gave a resumé of the result of field studies in which the problem of agricultural credits was being studied from all angles. Out of 408 farm businesses analyzed 390 were in debt. The average debt was $7,588 but the amount of debt varied according to the quality of the soil and the size of the farm. The desire to secure new farms. to expand farm businesses by means of purchase of land on deferred terms, was largely responsible for the heavy debt. "The amounts owing on land bought on agreements of sale constituted 61.9 per cent of the total debt of the farmers studied. Mortgages secured against farm real estate equal 16.5 per cent, making a total of 78.4 per cent against real estate. Of the 21.6 per cent remaining, implements were responsible for 6.4 per cent, bank credit, 3.3 per cent and taxes 2.5 per cent. A large variety of items made up the remaining 9.4 per cent.

Debt Is $13.61 Per Acre

"Even before the present depression commenced, difficulties had been arising in connection with our farm debts and in almost every district some foreclosures had been made on the farm properties, usually in what were recognized to be hopeless cases." On the 408 owned farms included in the study, the debt averaged $16.31 per acre of cropland or about $33 per acre per year. Interest on this amount at 8 per cent required $1.30 per year for each acre of cropland. "Even were it possible to secure amortization of the debt at 7 per cent on a 20-year basis, there would be needed an annual installment of $1.14 per acre of cropland, or about $2.28 per acre of wheat, or about $114 per quarter section of land." On the basis of information available, it would appear that the average debt for the province is probably not less than $12 per acre of cropland.

The tendency has been throughout Saskatchewan for farmers to increase their holdings of land as soon as possible. If agriculture is to be lifted out of its present conditions, Professor Allen felt that there would have to be an improvement in the prices of farm products, that there would have to be a reduction in the capital structure of agriculture or a modification of the obligations, while there are also many personal problems such as lack of foresight on the part of farmers. Another major problem would be to provide some small means of credit to enable the farmer to carry on while the two big fundamental problems are being worked out. It was stated that a short term credit such as the three months credit is useless and the provision of some public credit is necessary.

Wants Gold Standard

Professor W. W. Swanson, University of Saskatchewan, did not feel that an entire reconstruction of the economic order would lead to an increase in employment and the restoration of the economic life of the Dominion. There is a danger that blind experimentation might cause chaos. In so far as the banking system may be wisely used along with Governmental monetary action, Professor Swanson said that the objective of Canadian monetary policy should be: 1. A reversal of the downward trend of the general price level so far as that reversal can be brought about by monetary action; 2. Greater stability of this general price level; 3. Stability of the foreign exchanges." He believed that many things that are now being advocated for the improvement of prices and the restoration of economic stability lie entirely beyond our power to achieve except to the extent we proceed by international agreement to make these improvements. He felt it necessary to devise some financial mechanism by which Canada can cooperate and correlate its policies with those of other nations in order to secure the entire results. One of the first requirements to restore confidence and stability is the restoration of the gold standard at home and trade with nations of the world. The gold standard should be restored if only in modified form.

The gold standard should be restored because of the disastrous effects upon international trade following its abandonment; because it is essential for international investment; and because the gold standard provides the best safeguard against inflation and a reasonable stability of prices over long periods of time. Professor Swanson questioned whether the question of interest rates could be settled by parliamentary action and mentioned the various expedients used in the west to achieve this object. The final result of these actions has been to saddle the taxpayer with losses on farm loans. He did not feel that the Debt Adjustment Commissions of the western provinces were any permanent solution to the question of bank credits and bank obligations, mortgage obligations and rates of interest. The sanctity of contracts must be maintained and contracts can be ignored only at the peril of the community.

Nelson Jackson advocated a free national currency for federal, provincial and all municipal governments only. This currency would be administered by a national bank, the directors of which would represent all classes and all provinces. He presented each member of the commission with a book that he had written on his series.

Socialization Desired

Frank Eliason, secretary of the Farmers' Association of Saskatchewan gave the commission a tabulation of the replies received in answer to a questionnaire sent out by his organization in 1931. He claimed that the banks had advanced farmers short term loans for the purpose of entering the livestock business and had recalled the loans before the livestock was fully grown. This forced the farmer to put livestock on the market at sacrifice prices. He claimed that 75 per cent of the farmers were in a distressed financial condition. He stated that the banks had transferred money in savings accounts to pay off loans without consulting the farmer or the borrower. A central bank of issue and rediscount would only tend to further enslave the people and he advocated the establishment in Canada of a socialized system of banking, currency, credit and insurance for the purpose of supplying credit for new productive equipment and to provide the necessary medium for exchange of goods and services. Only by the establishment of such socialized credit facilities, free from gold standard restrictions and the imposition of interest charges, will it be possible to effect economic reconstruction at this time.

Province Wants Central Bank

On August 23, the Royal Commission sat in Regina, Sask., and was addressed by Premier Anderson who stated his belief that as a people we must have lower interest rates for provincial, municipal and individual borrowings. He expressed confidence in the Canadian banking system but the matter of longer term credit for the agricultural industry was of vital importance as is also the regulation and stabilization of exchange rates. The idea of a central bank for Canada was endorsed. He offered the findings and evidence of the provincial committee that had studied the banking situation in the current year.

D. F. McDaniel, appeared for the Saskatchewan Association of Rural Municipalities. He drew attention to the rates of interest that rural municipalities had to pay to the banks and submitted that some preferential rates should be established for municipal governments requiring money to carry on statutory obligations. He suggested that the municipalities be authorized to hypothecate their proposed tax collections to the banks as soon as the tax levy is struck, the banks to loan on this security up to an agreed amount and the banks to have power to draw on the federal treasury for the amount in Dominion currency they have advanced. The cost would be small and could be made statutory to cover necessary expenditures. By this means the municipalities would have the use of their tax levy during the year in which it is made free of interest rate. In normal times, the tax recovery rate is as high as between 85 to 90 per cent but it is much lower at the present time. Average recovery would exceed 60 per cent even in a bad year.

Object to Service Charges

At the present time, the banks make advances to municipalities from year to year taking as security the levy for each particular year and if the advance is not paid off it is consolidated with the advance made for the following year with all levies held by the banks as security for all advances.

It was pointed out that the municipalities suffer losses because of the action of the banks in making a minimum charge for collection of 25 cents on each cheque and the municipalities received many cheques for small amounts. Instead of a service charge of one-quarter of one per cent with a minimum amount of 25 cents per cheque, it is suggested that the rate be one-tenth of one per cent with a minimum of 10 cents.

The Association asked that a central bank be set up which would issue all currency backed, not by gold, but by the assets of Canada and make available to the provinces and municipalities of Canada sufficient currency to carry on their necessary work and services by way of hypothecation of tax levies or otherwise have been deposited with the central bank. A reduction of interest rates is also asked.

Says Farmers Over-Sold

R. A. Wright, president of the Livestock Union of Western Canada, stated that the farmers in Southern Saskatchewan had had six years of unprofitable crops and in addition had been over-sold by farm implement manufacturers. The desperate financial position of the farmer was probably accountable for his attitude toward the banking system. This attitude may be based on the farmer's individual experience or the anti-bank complex which often goes with a rural community. It is due in many instances to a lack of understanding between the banker and farmer. Interest rates have been higher than agriculture could bear and have varied from 6½ per cent to 10 per cent as compared with the 3 to 4 per cent paid by competitors farming in Great Britain and Europe. R. A. Rumsay, of the Canadian Bank of Commerce, had stated that interest paid by the average farmer on bank loans amounted to less than 1 per cent per bushel of wheat but Mr. Wright stated that his average over a period of five years had been about 1½ cents per bushel and last year had amounted to 3½ cents per bushel. Mr. Rumsay's statement includes only bank interest, which rate set the minimum for machine and other time purchases made by farmers not to mention mortgage interest. The agriculturist should have funds made available to him to cover costs of production and should be represented on the board of any central bank that is formed.

Grants Three-Year Loans

H. O. Powell, former manager of the Weyburn Security Bank, suggested that if anything were to be done to aid the prairie farmers, it should be done on a sinking fund basis and that the sinking fund should be kept up so that there would always be funds to take care of financial difficulties which could be presumed to recur during periods of drought which happened every two or three decades. Mr. Powell explained that the Dominion Agricultural Credit Co., of which he is head, had a capital of over $3,000,000 subscribed by trust and loan companies, banks, insurance companies and the railways. Of this subscribed capital, 10 per cent has been paid up which has been more than sufficient to take care of satisfactory loans that have been made up to the present time. Loans are given for a term of three years, 30 per cent payable in the first year, 30 per cent in the second year and 40 per cent at the end. Interest is charged at the rate of 6 per cent and there is also a fee charged to cover inspection costs in making a loan. A company had to put out 4,640 head of sheep in 1932, retaining control of the stock but operating on a co-operative basis with farmers. This had been quite satisfactory but this system is hardly capable of adaptation to other kinds of farming.

Mr. Bate, a farmer, attributed present conditions not to the "devilishness of the banks" but to increased taxation due to amplification of government services. This extension of services has resulted in a heavy burden of public debt.

H. F. Liggins, Saskatchewan supervisor of Canadian Bank of Commerce, presented a statement on behalf of the chartered banks which outlined the agricultural and industrial position of Saskatchewan.

Retain Status Quo

Sitting in Montreal on September 6, the Royal Commission received evidence from V. Gratton, economist of the Montreal Chamber of Commerce. The Chamber of Commerce submitted that it would be "extremely dangerous to substantially alter our banking system or deprive it of its privileges." The organization of a central bank to control to the issue of currency and the expansion of credit is believed unnecessary since these functions are presently "fulfilled in a satisfactory way by our banks and by the Government itself under the powers derived from the Finance Act." The central bank would be under control of the Government and necessarily subject to political influence while it would be an expensive organization which would deprive the Government of the important source of income which it derives through the operation of the Finance Act and would probably involve additional expenditures.

It is pointed out that banks which loaned money deposited with them and repayable on demand are not in a position to grant long term loans as experience of too many United States banks has recently shown. Since there is no real money market in Canada, there is no necessity of creating special machinery to have this control. Mr. Gratton admitted that, in addition to over-expansion of credit in recent years, commerce had been affected by instability in exchange and in lower price levels. He had no constructive suggestions as to how these difficulties could be overcome. He thought that possibly a commission appointed for a ten-year period with the option of being reappointed for an additional period and having a certain number of the functions characteristic of a central bank would be satisfactory to the country and to the banks themselves. He thought that there might be provincial bodies that could look after the credit requirements of certain industries and classes within the provinces.

H. W. Morgan, president of the Montreal Board of Trade, felt that the banks had done extremely well under the difficult circumstances of the past three or four years. The Board of Trade will present its brief at Ottawa.

J. C. Reed, financial secretary of the Quebec branch of the United Farmers of Canada, stated that credit to farmers had been substantially reduced even though loans were being repaid in full. He believed that more discretion should be allowed local managers. He claimed that the banks had charged exorbitant rates of interest on small loans and this arose out of the minimum interest charge of 50c per month.

Should Not Write Insurance

W. B. Gauchier, president of the Insurance Brokers' Association, claimed that the chartered banks and bank managers should not be permitted to engage directly or indirectly in the business of insurance. An amendment to the Bank Act made in 1923, prevents banks from acting as agents for any insurance company but is claimed that the banks have found ways and means particularly through trust companies and affiliates to evade the amendment to the Bank Act and to continue with insurance business. "It is still possible for banks and bank managers to direct insurance business through agencies in which the bank is interested and it is most difficult to show the exercise of pressure which is required by section 75 of the Bank Act." While Mr. Gauchier was quite definite that the banks influence the placing of insurance through trust company connections, he could not give proof that this had been done in recent years.

Quebec Credit Needs Met

Gordon Scott, representing the provincial government, presented a memorandum which did not necessarily represent the official opinion of the Government but was believed by the Government to reflect the general opinion of the people of Quebec toward the Canadian banking situation. Credit problems of the farmers are not as acute as in other parts of Canada since agricultural production is less subject to the very drastic fluctuations due to weather conditions or the vagaries of export markets. Solution of the agricultural problem, particularly in Quebec, lies in the restoration of prices and purchasing power rather than in the extension of additional credit. The farmers' credit requirements are adequately taken care of through the People's Banks, local merchants co-operative societies and the chartered banks. Ability to borrow easily both directly from the banks and through investment houses had enabled many public governing bodies to embark on expenditures of various kinds including advanced social services far beyond what our stage of development wants and to the detriment of industrial development. Large increase in Dominion, provincial and municipal debts in the last ten years could be traced to facilities for easy borrowing. "Some central authority which would guide and influence our banking policy would not appear inappropriate if it increases the habits of caution and restraint which should be cultivated by the banks as well as the public and prevent over trading and over mortgaging to such dangerous limits we have been evidencing in the past."

Miss Idola St. Jean, president of the Canadian Alliance for Women's Votes, stated that the Bank Act discriminated against women in Quebec and urged that the act be amended to permit the women of Quebec to deposit with the banks, and withdraw subsequently, more than $2,000. The federal law affecting the savings departments of Post Office gives women married or unmarried the same right as men to deposit up to $5,000.

Central Bank Advisable

Harold Fisher, of Mark Fisher Sons & Co., importers of cotton and woollen piece goods, stated that the rate of collections in Canada in his business after four years of depression compares very unfavorably with the rate in most other countries. The average rate of collection was stated to be proportionate to the general internal cash and credit situation in a country. General internal commerce having fallen to one half of what it should be, funds not in use become deposited with the banks who are in some difficulty to employ the money. The banks are "in difficulties for several reasons: 1. Because the number and requirements of former sound borrowers are low, arising from the same conditions as made deposits plentiful. 2. Because their idea of a sound borrower has been tightened up so that it is easier to pass through the eye of a needle than it is to pass for a sound borrower at a Canadian bank. 3. Because they fear that the rise in deposits may be only temporary, that a change in price might cause the deposits to be quickly withdrawn and that they may not be able to reduce their loan quickly enough to keep pace with that withdrawal." In the absence of a central bank of issue, the individual banks cannot help themselves. They are bound to regulate their individual policy from day to day to safeguard their position without regard to the final effect of those policies upon the national welfare.

A central bank could, by means of open market operations, create additional bank money sufficient to force the chartered banks to enlarge their idea of what constitutes a sound borrower. It would be able, by purchasing Government securities in the open market, to create such a quantity of bank deposits in favor of those from whom it purchased them as to embarrass the chartered banks with liquid funds and to cause them to look with kinder eyes on business borrowers willing to and anxious to pay 6 per cent. A central bank would stand behind every one of the Canadian banks just as the whole resources of a Canadian bank stand behind each of its branches. Its existence would put the Canadian banking system as far ahead of its present position as Canadian branch banking is ahead of the out-of-date country banking of the United States. Individually, the Canadian banks are strong; collectively, they are weak. The system is no stronger than its weakest member. The necessity of each bank to rely solely upon its own strength is the chief cause of the excessive caution, the excessive demand for security, and the punitive rates of interest which at present characterize the system and impede the progress of the nation. "I find it impossible to blame the banks for the present banking situation. They have done their best within their limits. I blame public opinion which appears to be terribly ill-informed on banking questions."

The Canadian Government has not sought to regulate the value of Canadian currency. Without creating special machinery the Government cannot do so. "Had the Canadian dollar been tied to the pound sterling at par when the Bank of England suspended full payments in September, 1931, the primary producers of Western Canada would have received millions of dollars more internal purchasing power from their exports to England, than in fact, they did receive and the same is true of other exporting groups which do their foreign business in sterling such as the dried fish industry in the Maritime provinces. Such purchasing power would have multiplied itself throughout the country."

Montreal Chief Clearing House

G. W. Spinney, assistant to the general managers of the Bank of Montreal, presented a memorandum outlining the importance of the various industries in the province. He pointed out that Montreal is the principal clearing point in Canada for export trade and consequently there is an active market there for foreign exchange. Operations are largely confined to sterling and the United States dollar as exports to European countries are usually invoiced in those currencies. A large volume of bills, representing exports, passes through the Montreal bank, the bills being drawn usually for short term with shipping documents attached. The most important factor in the course of exchange between Montreal and New York is the interest commitments and capital obligations of Governmental bodies and industrial corporations who have been large borrowers during the past 20 years. There is a limited local market for sterling but an active market for United States dollars and it is frequently necessary to resort to the much wider market in New York to cover daily requirements in sterling, particularly for large operations. Hence, Canadian quotations for sterling and the other European exchanges are placed on the rates between New York and these points, plus or minus the premium or discount on U. S. dollars in Canada. Recently, wide rate fluctuations have

(Continued on page 14)

Foreign Exchange

WIDE changes were registered by currencies in the week ended Sept. 18. Sharp weakness of the United States dollar, further strain on the gold franc, recovery of the Dutch guilder, and a rapidly rising price for gold developed during the week. Both sterling and Canadian dollars weakened in terms of francs, but were sharply higher against the American dollar.

It now appears that definite plans for inflation of credit are being prepared in the United States. It is understood that the Reconstruction Finance Corp. will literally be turned into a socialized banking system, extending loans to borrowers who cannot get funds through the usual channels. Other means will also be used to get credit into use in an endeavor to raise the American price level and keep the N.R.A. pot boiling, it is stated. One of the means will be encouragement of installment buying in the "buy now" campaign which is just starting. All these unusual developments weaken the United States dollar, and this has caused the rise of sterling and Canadian dollars in New York.

* *

FRANCE is still frantically clinging to the gold standard. Further deflationary moves in the national economy are suggested to balance the budget and support the currency. Some French business interests oppose such proposals. Close observers persist in their belief that France may have to leave the gold standard before the end of the year. This, it is thought, would make the problem of stabilization of exchanges less insuperable than it appeared at the time of the London conference. Consequently there may be some hope of a currency agreement, in the event of France leaving gold.

FOREIGN EXCHANGE
New York Funds

	High (Premium)	Low	Last Year High (Premium)	Last Year Low
	%	%	%	%
Sept. 12	4 15-16	4 3-4	10 3-8	10 3-16
Sept. 13	4 31-32	4 3-8	11	10 1-4
Sept. 14	4 13-16	4 1-2	10 7-8	10 3-4
Sept. 15	4 1-4	3 13-16	10 7-8	10 13-16
Sept. 16	3 7-8	3 1-8	10 13-16	10 3-4
Sept. 18	2 3-4	2	10 13-16	10 11-16

STERLING, FRANCS AND LIRE
Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Sept. 12	4.58½	.0559	.0755
Sept. 13	4.58	.0561	.0756
Sept. 14	4.61¾	.0568	.0768
Sept. 15	4.67½	.0579	.0779
Sept. 16	4.69	.0580	.0781
Sept. 18	4.81½	.0603	.0809

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Sept. 12	4.79½	0.0586	0.0788
Sept. 13	4.81½	0.0590	0.0795
Sept. 14	4.83½	0.0596	0.0803
Sept. 15	4.85¼	0.0602	0.0811
Sept. 16	4.87	0.0605	0.0815
Sept. 18	4.87½	0.0612	0.0820

	Reichsmarks	Belga	Yen
Gold par	$0.238	$0.139	$0.498
Sept. 12	0.3565	0.2092	0.2828
Sept. 13	0.3595	0.2104	0.2831
Sept. 14	0.3631	0.2126	0.2863
Sept. 15	0.3686	0.2145	0.2900
Sept. 16	0.3710	0.2157	0.2898
Sept. 18	0.3742	0.2187	0.2886

Finance Act Advances Reduced During August

Dominion note circulation declined in August for the second consecutive month chiefly, due to reduction in advances under the Finance Act. At August 31, notes outstanding totalled $176,780,780 as compared with $182,113,559 at the end of July and $154,160,146 at August 31, 1932. Gold held by the Minister of Finance declined by only $4,590 to $71,924,708 and as a result the excess holdings over statutory requirements was up to $644,019 from $601,833 at July 31.

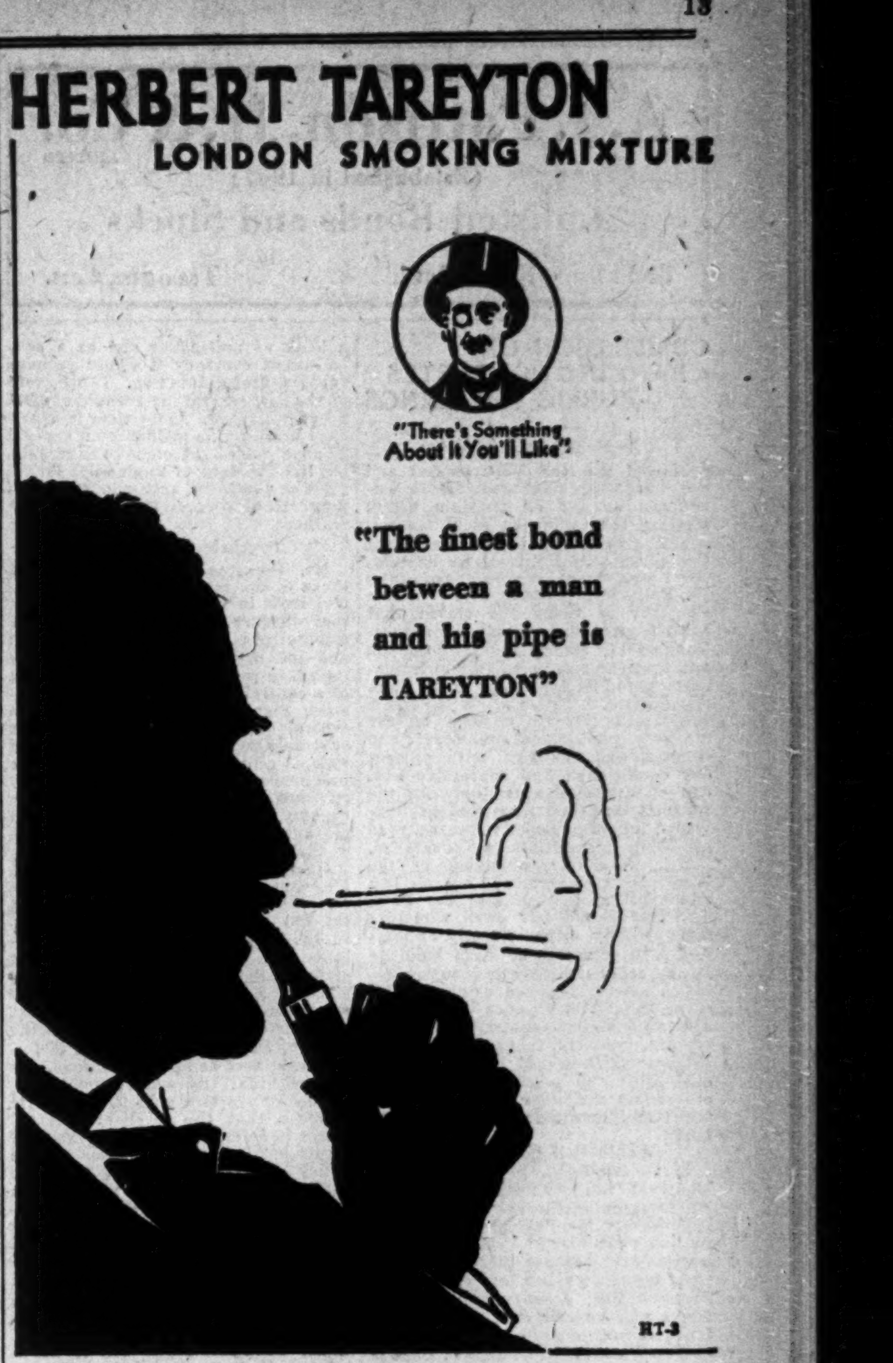
The statement of gold held by the Minister of Finance at August 31, 1933, is as follows:

FINANCIAL ACT

Against Savings Bank Deposits (10% on $23,439,097)	$ 2,343,910
Against notes as required by Dominion Notes Act	68,936,780
In excess of statutory requirements	644,019
	$71,924,708

Weekly Bank Clearings

	Sept. 14 1933	Change year ago	Sept. 7 1933
	$	%	$
Halifax	1,829,564	—6.3	2,228,644
Saint John	1,411,668	—29.4	1,442,335
Sherbrooke	593,480	+10.5	548,656
Quebec	3,683,608	+0.3	3,757,863
Montreal	80,416,556	+6.5	76,213,555
Ottawa	3,461,356	—15.0	3,755,975
Kingston	533,598	—0.2	530,305
Peterborough	586,725	—10.2	593,966
Toronto	83,605,742	+1.5	80,031,384
Hamilton	3,655,859	+5.5	3,179,547
Kitchener	770,819	+3.4	809,548
Brantford	708,250	+2.4	630,117
London	2,156,661	+3.2	2,341,118
Windsor	1,876,929	—9.0	1,966,665
Sarnia	332,031	—2.1	419,731
Sudbury	584,116	+21.2	540,693
Moncton	662,910	+18.1	536,955
Ft. William	455,736	—20.6	554,457
Winnipeg	37,860,197	—7.4	38,082,898
Brandon	331,128	—3.3	303,308
Regina	4,564,876	—6.4	3,637,402
Moose Jaw	486,945	+1.2	490,382
Pr. Albert	239,809	—5.7	240,646
Edmonton	3,189,357	—9.2	3,264,505
Calgary	4,922,406	—1.0	5,542,560
Medicine Hat	235,445	+25.5	208,259
Lethbridge	356,387	—1.4	435,781
N. W'minster	426,963	—3.9	415,902
Vancouver	13,143,010	+15.6	14,493,071
Victoria	1,384,570	+2.5	1,389,790
Saskatoon	1,183,289	—15.9	1,129,139



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COMMISSION ON BANKING COMPLETES PUBLIC HEARINGS

(Continued from page 13)

narrowed the New York market and the banks are endeavoring to encourage as far as possible direct sterling trades in the local market.

The second session of the Royal Commission in Montreal on September 7 was comparatively short. John W. Ross, president of the Canadian Chamber of Commerce stated that his organization had sent out a questionnaire to its members in Canada and that the results of this questionnaire would be forwarded to the Commissioners at Ottawa. I. S. Henri contrasted the early days of the pioneers, when money was scarce and interest was unknown, with present day conditions. The oppressive burden of overhead stood between the working man and increased pay envelope and the banks were regarded as being responsible for overhead.

Mrs. J. Beilby, president of the Women's Conservative Association, advocated amendments to the Bank Act that would bar bank directors from holding, either directly or indirectly, directorship or large holdings in any other company or industry, or, as an alternative, the establishment of an Industrial Finance Commission composed of representatives of agriculture, industry, labor and the consumers which would have power to deal with the incorporation of all companies and their financial structures and credit to be extended to them.

Wants Call Loan Market

L. G. Beaubien, president of the Montreal Stock Exchange, confined his remarks to the subject of a call loan market. Mr. Beaubien stated that we had what might be called a "time" loan market because there was not a wide enough market for "call" loans. Brokers are dependent upon the banks and he felt that some money that is sent outside of the country to New York might be kept in Canada to create a call loan market. At the present time, members of the Montreal Stock Exchange had about $12,000,000 or $14,000,000 on loans from the bank, whereas in 1931 they had three or four times the amount. This decrease in loans was due to depreciation in values rather than to restriction of credit facilities for the banks. Montreal stock brokers would like to see the banks form a pool and try to make a call loan market which might be developed gradually. In 1931 brokers suffered from exchange because they had sought loans at 1 per cent or less in the United States rather than pay 6 per cent charged by the Canadian banks. He stated that Boston is always trying to lend money in Montreal and that he would rather see business kept in Canada.

Grant Johnson, president of the Montreal Curb Market, suggested that if the banks pooled money for the creation of a call loan market in Montreal, they would be in a position to know when over-speculation was taking place in any one security. In the past when several banks had loaned money on one class of security and they came to liquidate that security in a falling market, the public could not absorb the amount offered, and the banks had a bad loan and the broker an enormous loss.

Central Bank Not Panacea

Professor Montpetit's brief was presented by Professor F. Vezina. Professor Montpetit believed that the solution of present economic difficulties does not lie only in monetary measures, that is the "manipulation of currency and credit." A central bank ought not to be considered a panacea for all our evils. He stated that the chief duty of a central bank is to be the servant of production and the circulation of goods by means of the distribution of capital and not to act directly to influence prices and exchange rates. In this country influence on prices and exchange rates would be possible up to a certain point but remains a doubtful possibility for the reason of variation in the money market and influence exercised by international markets. A central bank should not be the only institution in Canada to handle public funds and extend credit to public bodies. This would be to take from the latter their financial autonomy guaranteed by the constitution.

Canada can hardly be said to have a monetary policy because of the lack of suitable machinery. The Government does not possess sufficient means of action while the banks acting in rivalry cannot count on their association which does not possess either the authority or the power to permit it to exercise a decisive influence on our monetary regime as a whole. The Commission was asked to consider if it would not be advisable to remove from the Federal Treasury Board its monetary functions and to create within the ministry of finance a central body under the name of the Banking Commission. This commission would be composed of experts and bankers whose duty would be to maintain control over the rediscount; and, to draw up the interest rates according to circumstances; to build up reserve funds in other countries with a view to having some influence when necessary on the exchange rate and lastly to construct within the necessary period of time the foundations of a financial and monetary policy. If, however, the Commission reaches the decision to establish a central bank, it is requested that the institution be private and independent, modelled on the Bank of England, and that the private banks should retain their right to issue notes as in Scotland.

Slow Development Favored

Initial hearing of the Royal Commission in Toronto was held on Sept. 8 and Premier George S. Henry, in his address of welcome, stated that he believed the credit policy followed by the various banks does not lend itself toward accommodation of those engaged in agricultural and particularly those engaged in the live-stock industry. He also felt that at times there was more expansion in the number of branch banks than was justified.

A. J. Glazebrook, special lecturer in banking at the University of Toronto, said that there was a tendency on the part of the public to look for a single cause for the complicated phenomenon of the present depression and that finance had been named as the chief cause. Criticism has been concentrated on the banks and the call for a central bank has all the allurement of a pseudo-simple cure for all financial troubles. This is accentuated by the fact that Canada stands almost alone among important countries in having no central bank. He pointed out that in both 1920 and 1929 the federal reserve banks in the United States absolutely failed to control the situation.

If a central bank is to be established in Canada, it seems desirable that it should be extremely simple in its beginnings and not attempt to develop activities that are almost fated to be unsuccessful. By a slow development something in the nature of a market may emerge and the power and prestige of a central bank grow into something important. In the meantime as a bank of rediscount and as a controller of currency it would perhaps fulfil a useful function. The powers of the new central bank would at first be very limited. As in time it developed prestige, its influence on general finance might become considerable, but like the Bank of England, it should grow as a banking unit independent of government control and political influence.

Psychological Benefits

Mr. Glazebrook did not see that there is any real necessity for a central bank in Canada but he felt that the pressure for some new form of machinery is too great to be resisted and the psychological effect on the Canadian people of the establishment of a central bank might be very valuable. Since it will take time for a central bank to develop, it might be advisable to start one at the present time. A central bank might be of some practical value in that it might concentrate the reserves of gold in the country and this would become important when the country returned to the gold standard.

Questioned by Sir Charles Addis, Mr. Glazebrook said that he did not see what a central bank could do in the way of stabilization of exchange. In the pre-war period exchange stability was accomplished by constant action of the exchanges and the movement of gold. A certain amount of management was involved and that was performed in the main by the Bank of England. Canada had to follow what was being done abroad. He believed that the world would ultimately return to a gold standard. He believed that the level of internal prices is determined by the volume of credit and currency together with a policy of circulation and that the source of that credit is finally with the Treasury Board. He stated, however, that the determination of prices upon the quantity of money seemed to be rather invalidated by recent experience and many of the laws which seemed to be affected in the past under pre-war conditions have been invalidated by a set of irregularities which have destroyed all of these things. He agreed with Sir Charles Addis that this merely indicated that there were certain economic laws which continued steadily in operation but which may be hampered by nonmonetary causes.

Under present conditions, it would not be possible to effect an internal stability of the price level by the action of regulating the volume of credit although this might be possible under favorable conditions. He admitted that it might be perfectly possible to secure stability of the external price level by fixing the exchange and leaving the internal price level to a corresponding adjustment but that such action could not be carried out by a political body such as the Treasury Board. It could be better carried out by a bank acting as the instrument of the government.

Outside Forces Too Great

Mr. Glazebrook felt that the forces outside of Canada are too enormous to be resisted by any aggregation of power and that the banks cannot regulate the flow of the exchanges. If the central bank had $100,000,000 to regulate exchange, the sum might be quite insignificant for the requirements which might arise. Exchange with the United States is regulated in the main by the fact that Canada's debt to the United States is large and interest had to be paid. The creation of a central bank might in time centralize the best financial thinking capacity of the country and by association with people who are experienced in such matters we might arrive at a more balanced national policy. Questioned by Sir Thomas White, Mr. Glazebrook said that in September, 1931, when Great Britain was forced off the gold basis, many central banks of other countries which had carried a considerable part, at least, of their reserves in Great Britain, had experienced very heavy losses. The action of governments, an indeterminable factor, might influence exchange fluctuations profoundly and result in heavy losses to a central bank. Mr. Glazebrook felt that two people are required for the management of a central bank and one should be a Canadian to head it while a man might be borrowed from the Bank of England to act as deputy.

U.F.O. Wants Central Bank

R. J. Scott, president of the United Farmers of Ontario, introduced W. C. Good who presented a brief which showed the decrease in farm revenues between 1928 and 1932 represented by a decline in the index from 100 to 38.47. He felt that both trade and monetary policies were responsible for the current conditions.

It was proposed that the Boards of Directors of Canadian banks be abolished and their places taken by independent officials and that these officials should be responsible to a Board of National Investment and Central Banking. Existing bank shareholders would be put in the position of preferred shareholders and paid a fixed rate of interest but would have no control over banking policy or administration. Such reforms would remove the activities of the commercial banking system from the domination of other industrial interests. In addition to a Board of National Investments, it is submitted that a central bank be established which would take over the Dominion note issue and gradually take over that part of the note issue now managed by the chartered banks with the exception of a small and fixed amount of local till money. The banks would also take over all the powers and functions now exercised by the Treasury Board in advancing Dominion notes to the banks under the Finance Act; would take over the banking business of the Dominion and provincial governments and would act as agents for such governments; would make provision for the control and stabilization of Canadian currency and the foreign exchanges, establishing connections with foreign central banks and by other appropriate measures would manage the gold reserves against the note issue and generally supervise the structure, management and operation of the Canadian banking system. The management of the central bank would be entrusted to a board of banking experts, economists and statisticians completely divorced from any financial, industrial or commercial interests.

The Board of National Investment which would work in harmony with the central bank board, should be given power to co-ordinate, supervise, and rationalize investments, so as to bring about greater economic stability and security. It was also recommended that facilities should be given at an early date for the organization and operation of local co-operative banks of various types which may socially supervise the local distribution of credit and investment. It was pointed out that existing debts, individual, corporate and governmental are so huge and increasing steadily by the addition of interest charges that there seems no reasonable hope of solution unless drastic changes are made in the present situation. A solution may be looked for either in the direction of a changing of the price level or by the process of wholesale repudiation through bankruptcies or other compromises.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING SEPTEMBER 18

Range 1933 High	Range 1933 Low	Divd. Rate in $	Yield in % Sept. 16		Sales	Close Sept. 11 (or last)	Week Ending —Sept. 18— High	Low	Close
				A					
4.00	.25	.	...	Abitibi	2141	1.80	2.10	1.70	1.85
10	1	.	...	Do. pref. 6%	530	6	6	5½	6
x80	80	.	...	Acme F. D'y p	....	..	..	..	..
8	4	.	...	Agnew Surp.	5	7½	7	7	7
67	57½	7	10.4	Do. pref.	10	66	67	67	67
10	3½	.	...	Alta. Pac. Gr.	25	5½	5½	5½	5½
40	20	.	...	Do. pref.	....	30	..	..	..
x3½	1½	.	...	Amal. Electric	....	..	..	..	..
10	3	.	...	Do. pref.	....	9	..	..	..
x3½	3½	.	...	Anglo. N. Hold.	....	..	..	..	..
1.00	.15	.	...	Asbestos	....	1.00	..	..	..
1.00	.50	.	...	Do. pref.	....	1.00	..	..	..
15	3½	.	...	Assoc. Brew.	205	*12	13½	12½	13½
82	65	7	8.7	Do. pref.	....	77	..	..	..
x3	3	.	...	Assoc. Can.	....	..	..	..	..
†69	65	.	...	Assoc. Tele.	....	..	..	..	..
				B					
155	127	10	6.7	Bk. Can. Nat.	5	152	148	148	148
221	150	8	4.1	Bk. Montreal	532	199	200	195	197
285	228	12	4.3	Bk. N. Scotia	45	280	280	277	277
215	151	10	5.1	Bk. Toronto	35	198	199½	197	199½
17	10	.	...	Barcelona	....	17	..	..	..
8	1	.	...	Bathurst Pr.	135	5	5½	4½	5½
2	1	.	...	Do. (B)	....	1½	..	..	..
†26	26	.	...	Bawlf Grain	....	..	..	..	..
20	6	.	...	Do. pref.	....	9	..	..	..
7	3	.	...	Beath & Sons	....	5½	..	..	..
15	3½	.	...	Beatty Bros. A	10	10	9½	9½	9½
72	53	6	8.3	Do. pref.	....	72	..	..	..
8½	4½	.	...	Beauharnois	2538	5	5	4½	4½
60	50	4	6.7	Belding Cort.	....	60	..	..	..
89	85½	7	8.2	Do. pref.	....	85½	..	..	..
120½	80	6	5.2	Bell Telephone	282	112½	115	112	114
9	3½	.	...	Biltmore Hats	30	6½	7	7	7
76	62	7	9.2	Do. pref.	10	75	76	76	76
4	2½	.	...	Bissell, T. E.	....	4	..	..	..
†97	88	.	...	Do. pref.	....	..	..	..	..
6	1	.	...	Blue Ribbon	....	3	..	..	..
22½	10	2	9.1	Do. pref.	10	22½	22	20½	20½
22	18½	2	9.3	Brant. Cd. pf.	....	21	..	..	..
19	7	.	...	Brazilian Tr.	15475	14½	14⅝	13½	13⅞
3.85	.55	.	...	Brew. & Distil.	20265	2.65	2.80	2.50	2.60
12	½	.	...	Brewing Corp.	11298	6½	7½	6½	6½
19	½	.	...	Do. pref.	5224	13½	16½	13½	14½
12	10	.	...	Bright, T. G., c	375	10	10½	10	10½
16	7½	80c	5.4	Brit. Amer. Oil	11273	14½	15	14½	15
8	1	.	...	B. C. Packers	1060	4½	4½	4	4½
20	6	.	...	Do. pref.	....	17	..	..	..
28	14	2	7.9	B. C. Power A	295	25	26½	25	26½
6½	3	.	...	Do. (B)	125	5½	5½	5⅜	5⅜
24	3	.	...	Bruck S. Mills	5402	22½	24	22½	23
21	10½	1	6.1	Building Prod.	60	16½	17	16½	17
38½	20	2	5.8	Burt, F. N.	40	34½	35	34	34
				C					
x125	120	6	...	Calgary Pr.	....	..	..	..	..
9½	1½	.	...	Canada Bread	15	6	6	5⅜	5⅜
75	40	.	...	Do. pref. A	2	65	60	60	60
31	8	.	...	Do. pref. B	....	25	..	..	..
18	5½	60c	4.5	Canada Bud	17850	11⅝	14½	11⅞	13½
10⅜	2½	.	...	Canada Cement	1830	7½	8	6⅞	7½
45½	12	.	...	Do. pref.	221	32	34	31	31
b41½	7½	1	3	Canada Dry	33900	31½	34½	30½	33
8	2	.	...	Can. Forg. (A)	....	4	..	..	..
x7½	2	.	...	Do. (B)	....	..	..	..	..
x15	15	.	...	Canada Iron	....	..	..	..	..
†80	75	3	...	Do. pref.	....	..	..	..	..
*425	405	20	4.9	Canada Life	....	405	..	..	..
40	13½	1.50	4.4	Can. Malting	4091	33½	36	33½	33½
17½	12	80c	5.3	Can. Nor. Pr.	350	15	15½	15	15
90	65	7	7.8	Do. pref.	21	90	90	90	90
.25	.05	.	...	Can. Paving	....	.10	..	..	..
10	4	.	...	Do. pref.	....	5½	..	..	..
165	120	10	6.6	Can. Perman.	34	153	151	150	150
3½	1½	.	...	Can. Steamsh's	20	2	2	2	2
9½	2	.	...	Do. pref.	55	4	3½	3	3
26	13½	1.60	7.1	Can. Vinegars	250	22	22⅝	21½	22½
30	26	.	...	Can. W. Cable	30	28½	28½	28	28½
15	7	.	...	Do. (B)	95	12	12	12	12
5	2	.	...	Can. Bakeries	....	2	..	..	..
5	5	.	...	Do. pref.	....	5	..	..	..
176	119	8	5.3	Can. Bk. Com.	301	155	155	149	150
25	9	60c	3	Can. Bronze	240	20	20	19½	20
97	70	7	7.2	Do. pref.	....	97	..	..	..
10⅜	2½	.	...	Can. Canners	110	8½	8½	8	8
80	48	6	7.5	Do. 1st pfd.	5	79	80	80	80
14	3½	20c	1.8	Do. 2nd pfd.	357	11⅜	11⅝	11	11½
11⅜	3	.	...	Can. Car & F'y	1366	8½	8⅜	7½	7⅝
19½	9½	1.75	9.7	Do. pref.	325	17½	18	16⅜	17
28½	6½	.	...	Can. Celanese	5610	20	28½	21½	26½
112	70	7	6.2	Do. pref.	1150	105	112	105	109
35	8	2	6.7	Can. Convert.	....	30	..	..	..
49	15	.	...	Can. Cottons	65	42	42	42	42
75	45	6	8.6	Do. pref.	....	70	..	..	..
22½	10	1	...	Can. Dredge	490	17	19	18	18½
85½	85	7	8.2	Do. pref.	....	85½	..	..	..
80	79	6	7.5	Can. Fairb. pf.	....	80	..	..	..
9½	2	.	...	Can. For. Inv.	100	7	6⅞	6½	6½
80	35	8	...	Do. pref.	5	78	78	78	78
140	100	3	2.1	Can. Gen. Elec.	5	130	140	140	140
60	50	3.50	6	Do. pref.	264	60	60	57	58½
6½	4	.	...	Can. G. Inv. T.	....	6½	..	..	..
65	34	6	10.5	Can. Hyd. El. p	143	57	57	56	57
40	1½	.	...	Can. Ind. Alc.	47789	20½	22½	20	21½
39	.90	.	...	Do. (B)	12960	17	20½	18½	19
106	75½	3.50	3.3	Can. Industries	....	106	..	..	..
125	125	7	5.6	Do. pref.	....	125	..	..	..
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
†70	64½	.	...	Do. pref.	....	..	..	..	..
21	21	1	4.8	Can. Lt. & Pr.	....	21	..	..	..
b3½	1⅜	.	...	Can. Marconi	63400	2½	3⅜	3	3⅜
20	6½	50c	3.3	Canadian Oil	180	14½	15½	15	15½
97	79	8	8.6	Do. pref.	....	93	..	..	..
21⅛	9	.	...	Can. Pacific	6731	16⅜	17½	16	16½
3	1	.	...	Can. Vickers	....	2½	..	..	..
7½	5	.	...	Do. pref.	....	7½	..	..	..
49	46	2	4.1	C. West'ghouse	....	49	..	..	..
9½	1½	20c	3.3	Can. Wineries	1860	5½	6	5½	6
9⅜	½	.	...	Can. Wire Box	....	8½	..	..	..
10	5½	.	...	Catelli Mac. A	50	10	10	10	10
2	1	.	...	Do. (B)	....	1½	..	..	..
245	245	8	3.3	Cent. Can. L'n	....	245	..	..	..
2.35	.50	.	...	Chem. Research	13115	1.30	1.55	1.33	1.45
1.60	.20	.	...	Claude Neon	3250	.70	.60	.50	.60
15½	3	.	...	Cockshutt Plow	710	10	10	9	9½
9	½	.	...	Comm. Alcohol	....	5	..	..	..
5	1	.	...	Conduits	....	5	..	..	..
†94	84	.	...	Do. pref.	....	..	..	..	..
16½	2	.	...	Cons. Bakeries	280	12	12⅝	12	12½
5	½	.	...	Cons. Indust.	50	2	1½	1½	1½
6⅜	1½	.	...	Cons. Paper	1824	3⅞	3½	3½	3½
12	3	.	...	Cons. Press	....	9	..	..	..
x35	30	.	...	Cons. Sand. p.	....	..	..	..	..
142	54	10%*	...	Cons. Smelters	2712	135½	139½	133	137½
190	170	10	5.5	Consumers' Gas	133	187	187	180	180
‡35	30	.	...	Cooksville Co.	....	..	..	..	..
‡85	85	.	...	Do. pref.	....	..	..	..	..
†20½	15	.	...	Corpor. Steel	....	..	..	..	..
‡90	90	.	...	Corr. P. Box p.	....	..	..	..	..
8	1½	.	...	Cosgrave Brew.	2325	4½	6½	4½	6
10	2	.	...	Cosmos Imp.	....	8	..	..	..
50	39	3.50	7	Do. pref.	....	50	..	..	..
6½	½	.	...	Crown Dom. Oil	....	4	..	..	..
20	8	2	...	Crow's N. Coal	....	16	..	..	..
				D					
2	1	.	...	David & Fre. B	....	1	..	..	..
5	5	.	...	Do. (A)	....	5	..	..	..
†12½	12½	.	...	De Havilland	....	..	..	..	..
19	18½	.	...	Do. pref.	25	..	19	18½	19
†9	5	.	...	Disher Steel	....	..	..	..	..
17	17	.	...	Do. pref.	....	17	..	..	..
52½	4	.	...	Distill-Seagram	17543	30⅜	33	29⅜	30
7	5	.	...	Dodge (A) pf.	25	5	7	7	7
2	2	.	...	Do. (B)	25	2	..	2	2
175	124	10	6.2	Dom. Bank	15	158	160	158	160
34	13½	2	6.4	Dom. Bridge	1070	30½	31½	30	30
10	3½	.	...	Dom. Coal	80	5	9	8	9
26	8	.	...	Dom. Engineer.	10	23	23½	23½	23½
90	35	5	6.2	Dom. Glass	2	82	81	80	81
115	98	7	6.1	Do. pref.	....	115	..	..	..
5½	1	.	...	Dom. Motors	100	2½	2½	2½	2½
2½	½	.	...	Dom. Pr. Stubs	100	1½	1½	1½	1½
5	½	.	...	Dom. St. & C B	590	2½	2½	2½	2½
27½	12½	1.20	5.3	Dom. Stores	750	22	23	21	21½
6½	1	.	...	Dom. Tar & Ch.	1300	4	4	3	3
27	5	.	...	Do. pref.	....	20	..	..	..
69½	39	4	5.9	Dom. Textile	390	68	69	68	68
112	93½	7	6.2	Do. pref.	....	112	..	..	..
7½	½	.	...	Dryden Paper	805	7	7½	6½	6½
5	1	.	...	Duff. Paving	4	2½	1½	1½	1½
30	5	.	...	Do. pref.	55	30	30	30	30
				E					
3	3	.	...	East. Koot. Pr.	....	3	..	..	..
†97	94½	.	...	Do. pref.	....	..	..	..	..
7	1½	.	...	East Dairies	70	4½	5	4½	4½
14	5	.	...	East. Steel	25	8	5	5	5
76	75	7	9.2	Do. pref.	....	76	..	..	..
‡34	34	2	...	East. Theatres	....	..	..	..	..
70	67	7	10	Do. pref.	....	70	..	..	..
4	1	.	...	Easy Washer	40	1½	1½	1½	1½
15½	7	18¾c	...	Economic Inv.	....	15	..	..	..
†15	15	.	...	Edmonton D'y	....	..	..	..	..
†80	78½	6.50	...	Do. pref.	....	..	..	..	..
19	5	.	...	Enam. & Heat.	....	2½	..	..	..
19	5	.	...	Eng. Electric	....	12	..	..	..
10	1½	.	...	Do. (B)	....	10	..	..	..
				F					
15	4	.	...	Fam. Play's	....	15	..	..	..
10	8	.	...	Do Vot. Tr.	....	10	..	..	..
15	8½	1	8	Fanny Farmer	120	12½	13	12	12
28½	23	2.40	8.4	Do. pref.	....	28⅜	..	..	..
‡83½	75	.	...	Firstbrook Box	....	..	..	..	..
21	6	.	...	Ford Motors A	4175	15½	15⅞	14½	14½
5	1½	.	...	For. Pr. Secs.	....	3	..	..	..
15	5	.	...	Foundation Co.	75	8	7½	7	7
90	90	.	...	Fr.& For.Inv. p	....	90	..	..	..
†8	5	.	...	Frost Steel	....	..	..	..	..
40	40	.	...	Do. pref.	....	40	..	..	..
				G					
6.50	.70	.	...	Gen. St. Wares	795	4.25	4.25	4.00	4.00
18	14	.	...	Do. pref.	....	14	..	..	..
114½	40	2.40	2.3	Goodyear Tire	35	105	104	103	104
108	80	7	6.5	Do. pref.	174	107	107½	105	106½
†93½	93½	.	...	Gould Pumps, p.	....	..	..	..	..
3	1	.	...	Gt. W. Saddlery	....	..	..	..	..
15	5	.	...	Do. pref.	....	12	..	..	..
16½	4	.	...	Gurd, Chas.	440	8½	8½	6½	6½
100	100	7	...	Do. pref.	....	100	..	..	..
7½	1½	.	...	Gypsum, Lime.	390	4½	4½	4½	4½
				H					
12	2½	.	...	Ham. Bridge	1140	8⅝	9½	8	9
40	34	.	...	Do. pref.	10	34	34	34	34
13½	4	.	...	Ham. Cot. pf.	....	12	..	..	..
5	1	.	...	Ham U. Theat.	....	2½	..	..	..
60	46	7	11.7	Do. pref.	....	60	..	..	..
†50	50	.	...	Hillcrest Coll.	....	..	..	..	..
†91	91	.	...	Do. pref.	....	..	..	..	..
8	2	.	...	Hinde & Dauch	....	5½	..	..	..
†75	75	.	...	Holt Renfrew	....	..	..	..	..
‡96½	90	.	...	Do. pref.	....	..	..	..	..
3½	½	.	...	Honey Dew	1095	2	1½	.95	1
17	5	.	...	Do. pref.	25	10	8½	7½	7½
9½	4	.	...	H. Smith Pap.	10	7	7	6	7
40½	8	.	...	Do. pref.	....	30	..	..	..
25	14½	2	8.3	Humberstone S	25	24	25	24	25
14	4	50c	4.5	Hunt (A)	....	11	..	..	..
10	5	50c	5	Do. (B)	....	10	..	..	..
102	77	6	6.7	Huron & E. M.	10	92	90	90	90
18	12½	.	...	Do. 20% pd.	....	15	..	..	..
10	6	.	...	Hydro-Electric	....	10	..	..	..
				I					
185	123	10	6.2	Imperial Bank	55	164	163½	160	162
16	7½	50c	3.4	Imperial Oil	24461	14½	15	14	14½
11½	7	35c*	3.2	Imperial Tob.	6404	10½	11½	10½	11
17	17	.	...	Int. City Bak.	50	..	17	17	17
†80	80	8	...	Inter. Coal, p.	....	..	..	..	..
b13⅜	2½	.	...	Int. Hyd. E. A.	2415	7½	8⅜	6½	6½
105	98	7	7	Inter. Mill. pf.	2	102½	100½	100½	100½
90	84	6	6.7	Do. Series A	....	90	..	..	..
23.25	8.00	.	...	Inter. Nickel	72515	21.40	22.45	21.00	22.05
x4	4	.	...	Inter. Paints	....	..	..	..	..
b10	1	.	...	Int. P. & P. A	1100	6	6⅜	5⅜	6
b5½	½	.	...	Do. (B)	900	3	3	2½	2⅞
b4	½	.	...	Do. (C)	2900	2⅝	2½	2	2⅜
b22½	2	.	...	Do. pref.	2400	16½	16⅜	14½	14½
20½	10½	1	5	Inter. Pete.	19017	19½	20½	19⅜	19½
5	2½	.	...	Inter. Power	10	3	3	3	3
24	8	.	...	Do. pref.	73	19½	19½	19	19
13½	6½	.	...	Int. Util. (A)	135	8	8½	7	8
4½	1	.	...	Do. (B)	160	2½	2⅜	2	2
				J					
†40	40	1	...	Jam. Pub. Ser.	....	..	..	..	..
89½	70	7	7.8	Do. pref.	5	78	89½	89½	89½
				K					
7½	¾	.	...	Kelvinator	100	4	4½	4½	4½
75	55	7	9.3	Do. pref.	....	75	..	..	..
				L					
18½	5	.	...	Lake of Woods	30	14	13	12⅞	13
70	30	.	...	Do. pref.	....	65	..	..	..
85	80	6	7	Landed Bank.	....	85	..	..	..
25	25	.	...	Langley's pfd.	....	25	..	..	..
48½	36	3	6.3	Laura Secord	50	44½	47½	45½	47½
7	1⅜	.	...	Lindsay, C. W.	....	7	..	..	..
35	25	.	...	Do. pref.	....	35	..	..	..
21½	10½	80c	5	Loblaw (A)	3021	15½	16	15½	15⅞
21	10⅜	80c	5.2	Do. (B)	360	15⅜	15½	15	15½
				M					
4	2	.	...	MacKin. Steel	....	3½	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
3½	3½	.	...	Manitoba Pr.	....	3½	..	..	..
10½	3	.	...	Maple Leaf	110	5	5	4½	5
25	5	.	...	Do. pref.	67	15	16	15	16
6	6	.	...	Marcus Loew's	....	6	..	..	..
60	35	.	...	Do. pref.	....	60	..	..	..
12	2⅜	.	...	Massey-Harris	3170	6½	6⅜	5½	5⅞
15	7	60c	4.6	McColl Fron.	8215	12	13½	12	13
82	54½	6	8	Do. pref.	60	75	75	74½	75
27	9½	.	...	Melchers (A)	2330	14	16½	14½	15½
14	7½	.	...	Do. (B)	2305	8	11½	9	10½
†45	35	.	...	Mexican L & P	....	..	..	..	..
‡35	35	.	...	Mercury Mills.	....	..	..	..	..
‡89	58½	.	...	Do. pref.	....	..	..	..	..
†40½	40	.	...	Mitchell, J. S.	....	..	..	..	..
x105	105	7	...	Do. pref.	....	..	..	..	..
17½	2	.	...	Mitchell, Robt.	340	11	11	10½	10½
†1	1	.	...	Monarch Knit.	....	..	..	..	..
50	20	.	...	Do. pref.	....	49	..	..	..
28	18	.	...	Montreal Cot.	10	25	28	25	28
75	50	7	9.3	Do. pref.	....	75	..	..	..
¼	¼	.	...	Montreal Exhib	....	¼	..	..	..
x11	5	.	...	Mont. Is. Pr.	....	..	..	..	..
42½	26½	1.50	4	Mont. L. H. & P.	4203	36½	37½	36½	37
42	39	3+.25	8.1	Montreal Loan	40	40	40	40	40
46½	39	3.20	7	Montreal Tele.	10	46	46	46	46
101	70	8	8	Montreal Tram	....	100	..	..	..
17½	4	.	...	Moore Corp.	203	14	14	13½	14
107	65	7	6.8	Do. pref. A	35	104	104	103	104
125	70	7	6.1	Do. pref. B	....	115	..	..	..
‡10	10	.	...	Mt. Royal Hot.	....	..	..	..	..
‡49	49	.	...	Do. pref.	....	..	..	..	..
4	½	.	...	Muirheads	25	2½	2	2	2
7	5	.	...	Do. pref.	....	6½	..	..	..
				N					
29½	14½	1.60	5.7	Nat. Breweries	17307	26½	28½	26½	27½
32	27	1.75	5.5	Do. pref.	120	31½	32	31	31
100	85	7	7.8	N. Groc. 2nd p	30	90	92	90	90
22	14	2.40	13.8	N. Sew. Pipe A	65	21	17½	16	16
18½	5½	.	...	Nat. Steel Car	640	16	15½	14½	14½
212	165	8	4	National Tr.	5	200	200	200	200
x10	10	.	...	Niag. W. Weav	....	..	..	..	..
16½	16	75c§	...	Do. pref.	....	16	..	..	..
5	½	.	...	North Star Oil	....	2½	..	..	..
4.50	1.75	35c	...	Do. pref.	110	2.70	2.70	2.70	2.70
‡25	25	.	...	N.S. Steel, pf.	....	..	..	..	..
				O					
211	100	8	4.1	Ogilvie Flour	54	194	198	190	195
125	108	7	5.6	Do. pref.	35	122½	125	123	125
12	4	.	...	Ont. Eq. 10% p	....	11	..	..	..
105	98	6	6.1	Ontario Loan	7	101	98	98	98
9	4	.	...	Ont. Silknit	75	7	7	7	7
6½	4½	.	...	Ont. Steel	....	6	..	..	..
†105	105	.	...	Do. pref.	....	..	..	..	..
2½	⅜	.	...	Orange Crush	....	1½	..	..	..
14	5	.	...	Do. (A)	10	12	11	11	11
3½	¾	.	...	Do. (B)	....	1½	..	..	..
92	80	6	6.8	Ott. L. H. & P.	55	90	88	88	88
91	84	6.50	7.1	Do. pref.	5	90½	91	91	91
8	5	.	...	Ott. Traction	....	5	..	..	..
				P					
70½	40	3	4.5	Page-Hersey	105	66	67	66	67
18	18	.	...	Paton Mfg.	....	18	..	..	..
92½	90	7	7.6	Do. pref.	30	90	92½	92½	92½
47	20	3	6.7	Penmans	....	45	..	..	..
80	65	6	7.5	Do. pref.	....	80	..	..	..
16½	8	.	...	Photo Eng.	155	15	15	15	15
†70	64	7	...	Porto Rico P. p	....	..	..	..	..
b40⅜	4	.	...	Postal Tele. p.	....	..	..	..	..
15⅜	6	.	...	Power Corp.	477	9	9	8½	8½
62	26	6	10	Do. pref.	....	60	..	..	..
3½	¾	.	...	Prairie C. Oil	50	3	2½	2½	2½
26	8	.	...	Pressed Metals	550	23½	24	22½	22½
4.62	1.00	.	...	Price Bros.	4300	1.10	1.35	1.25	1.25
13	4	.	...	Do. pref.	....	4	..	..	..
				Q					
24	11	1	5.8	Quebec Power	920	18½	18½	16½	17½
				R					
95	85	5	5.9	Real Estate L'n	....	85	..	..	..
5½	½	.	...	Regent Knit.	300	4	4	3½	3½
6	5	.	...	Reliance Grain	25	5	5	5	5
19	7	1	5.3	River. S. Mills	20	19	19	19	19
14	5	1	10	Robinson Cone.	15	10	10	10	10
4	⅜	.	...	Rogers Majest.	25	2½	2½	2½	2½
183	123	8	5	Royal Bank	188	160	161	158	161
†84	75	.	...	Ruddy, E. L. p	....	..	..	..	..
20	20	.	...	Russell Motor	....	20	..	..	..
45	28	4	9.8	Do. pref.	....	41	..	..	..
				S					
x4	3	.	...	Sarnia Br. A.	....	..	..	..	..
2	1½	.	...	Do. (B)	....	2	..	..	..
11½	2½	.	...	Serv. Station	305	8⅜	9	8½	8½
48	16	.	...	Do. pref.	5	40	40	40	40
22½	9½	50c	2.8	Shawinigan	3200	18½	18½	17½	17½
17½	4	.	...	Sher.-Wms.	30	13	13½	12½	12½
75	39	.	...	Do. pref.	....	70	..	..	..
9	4	.	...	Simon & Son.	50	6½	5½	5½	5½
61	50	.	...	Do. pref.	....	55	..	..	..
52	6	.	...	Simpson, Ltd.	125	30	32	30	31
5	5	.	...	Do. (A)	....	5	..	..	..
6½	1	.	...	Do. (B)	....	6½	..	..	..
85	46½	6	7.9	Simpson, R., p.	55	85	76	76	76
19½	12	1	5.9	So. Can. Pr.	315	17½	17½	16½	17½
91	68	6	6.7	Do. pref.	18	90	90	89	90
5.87	.15	.	...	St. Law. Corp.	1487	3.75	3.75	3.50	3.62
12½	1	.	...	Do. (A)	295	9	9½	8	8
56	15	1.50	2.7	St. Law. Flour.	60	54⅜	56	56	56
97	92	7	7.2	Do. pref.	....	97	..	..	..
25	2½	.	...	St. Law. Pap. p	615	19½	19½	18	18½
13	4	.	...	Stand. Chem.	....	11	..	..	..
6	¾	.	...	St. Pav. & Mat.	90	4	4	3½	3½
25	16	.	...	Do. pref.	....	21	..	..	..
19½	1	.	...	Stand. Steel	1821	14½	15	13	13½
47	47	.	...	Do. pref.	....	47	..	..	..
33	14½	1.20	4	Steel of Can.	665	30	30½	29	30½
34	24½	1.75	5.5	Do. pref.	143	32½	32½	31½	32
6	1	.	...	Sterling Coal	10	1	6	6	6
10½	6	.	...	Stop & Shop	....	7	..	..	..
*495	385	.	...	Sun Life Ass.	....	493	..	..	..
22½	11	1	5.1	Sup. Pete. ord.	115	18½	20	18½	19
19	11½	1	5.4	Do. com.	....	18	..	..	..
99	90	7	7.1	Do. pref.	....	99	..	..	..
				T					
40	40	.	...	Tamblyn	....	40	..	..	..
95	79	7	8.7	Do. pref.	....	80	..	..	..
17	10	¶87½c	...	Thayers, pfd.	....	15	..	..	..
14	7½	40c	3.1	Thrift Stores	55	13½	13	12½	12½
30	21	1.62½	6	Do. pref.	405	27	27	26½	27
12	1	.	...	Tip Top Tailors	....	8	..	..	..
70	35	7	10	Do. pref.	....	70	..	..	..
‡22	10	.	...	Tooke Bros.	....	..	..	..	..
16½	2½	.	...	Do. pref.	....	16½	..	..	..
27	12½	1	...	Tor. Elevators	45	23½	23	23	23
167	138	8	5.4	Tor. Gen. Tr.	....	148	..	..	..
100	90	6	6.3	Toronto Mtge.	28	95	100	95	95
1½	½	.	...	Traymore	1324	1	1½	1	1
2½	½	.	...	Do. pref.	200	1	1½	1½	1½
116	107	7	6	Tuckett Tob. p.	11	116	116	115	116
4	1	.	...	Twin City	10	4	3½	3½	3½
b15	5½	.	...	Do. pref.	....	..	..	..	..
				U					
7½	3½	.	...	Union Gas	380	5½	5½	5	5
40	30	.	...	Union Trust	5	40	30	30	30
†8	8	.	...	United Fuel	....	..	..	..	..
17½	4½	.	...	Do. pref.	25	7	6	6	6
8	7	.	...	Un. Amuse. A	....	8	..	..	..
7½	7½	.	...	Do. (B)	....	7½	..	..	..
30	19½	2	7.7	United Secs.	....	26	..	..	..
				V					
7	.2	.	...	Viau Biscuit	165	4½	4	4	4
40	35	.	...	Do. pref.	....	40	..	..	..
				W					
18½	4	.	...	Wabasso Cot.	....	15½	..	..	..
68	4	.	...	Walker-Good.	33092	50⅜	53½	49⅜	51½
18½	9½	1	6.2	Do. pref.	5951	15	16	15	15⅞
8	1½	.	...	Waterloo Mfg.	10	3½	3½	3½	3½
x80	75	7	...	W. Koot. Pr. p	....	..	..	..	..
18	4	.	...	West. C. Flour	....	12	..	..	..
70	45	3	5.4	Do. pref.	....	55	..	..	..
23	8	.	...	West. Grocers	5	23	23	21	23
85	54	7	8.3	Do. pref.	....	84	..	..	..
†91	85	.	...	W. Steel Pr. p	....	..	..	..	..
59½	16½	1	1.7	Weston Bisc.	5408	52	59½	51½	57½
87	67	7	8	Do. pref.	5	85	87	87	87
5	3½	.	...	Whittall Can	....	3½	..	..	..
50	30	6.50	...	Do. pref.	....	40	..	..	..
5	3	.	...	Windsor Hotel	....	3	..	..	..
12	5	.	...	Do. pref.	15	5	8	8	8
5½	1	.	...	Winnipeg Elec.	625	3	2½	2½	2½
10½	3½	.	...	Do. pref.	236	10½	10½	6	6
18	7	.	...	Woods Mfg. p.	....	18	..	..	..
				Z					
x1	1	.	...	Zimmerknit. c.	....	..	..	..	..

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* Stock dividend.
* Plus final dividend of 17½c. paid Mar. 31.
¶ Covers payment due Jan. 3 last and deferred; paid Mar. 15.
* See "Unlisted Stocks" also.
§ On arrears.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
September 19, 1933

Industrial Bonds:	Bid September 19	Asked September 19	Bid Sept. 12
Abitibi P. & P. 5% 1953	24.50	26.00	24.25
Acadia Sugar 6% 1946	92.00	94.00	91.00
Alberta Bay 6½% 1942	49.00	....	48.50
Alta. Pac. Grain 6% 1946	72.00	74.00	71.00
American Sales Book 6% 1939	98.00	....	99.00
B. A. Oil 5% 1945	98.50	100.00	98.00
Can. Biscuit 6½% 1946	22.00	24.00	22.00
Can. Bread 6% 1941	95.00	98.00	96.00
Can. Cement 5½% 1947	76.00	77.00	76.50
Can. Steamship 6% 1941	18.50	20.00	19.00
Can. Canners 6% 1950	97.25	100.00	97.00
Can. Copper Refin. 6% 1945	104.00	106.00	105.00
Can. Cottons 5% 1940	91.00	....	90.75
Can. Vickers 6% 1947	48.00	52.00	52.50
Cons. Invest. 4½% 1959	56.00	....	56.50
Cosmos Imp. Mills 6½% 1944	84.00	....	85 00
Davies, Wm. 6% 1942	98.25	100.00	98.00
Debenture & Sec. 4% 1936	64.00	....	63.00
Dom. Tar & Chemical 6% 1949	69.00	71.50	68.00
Dom. Telegraph 5½% 1978 A	94.75	....	94.50
Dom. Textile 6% 1949	104.25	....	104.50
Dom. Woollens 6% 1948	32.00	....	31.00
Donnacona Paper 5½% 1948	29.00	....	30.00
Eaton Realty 5% 1949	90.25	....	90.50
Famous Players 6% 1948	75.00	78.00	74.50
Federal Grain 6% 1949	70.00	73.00	72.50
Firestone Tire 7% 1937	105.00	108.00	105.00
Fraser Cos. 6% 1932	30.25	33.00	31.00
Fraser Cos. 6% 1950	30.00	....	30.50
Galt Brass 7½% 1941	15.25	20.00	16.00
General Steel Wares 6% 1952	63.50	....	62.50
Goodyear Cotton 6% 1949	103.00	....	102.50
Great Lakes Paper 6% 1950	26.50	27.50	26.50
Gypsum, Lime & Alab. 5½% 1948	47.00	49.00	44.50
Harris Abattoir 6% 1947	101.50	103.00	101.00
Howard Smith 5½% 1953	74.00	76.00	71.00
Lake St. John 6½% 1947	32.25	33.50	32.50
Loew's Toronto 6% Serial	98.00	....	97.75
Maple Leaf Milling 5½% 1949	52.50	53.50	52.00
Massey-Harris 5% 1947	61.00	65.00	65.50
McColl-Frontenac 6% 1949	96.50	99.00	95.50
McKinnon Industries 6½% 1945	95.00	....	94.00
Mercury Mills 5½% 1953	55.00	....	54.00
Metropolitan Bldg. 7% 1944	82.00	....	81.50
Northern Ontario Bldg., 6½% 1939	71.00	75.50	70.00
Price Bros. 6% 1943	55.50	58.00	57.00
Richmond-Bay 6½% 1947	63.50	....	63.00
Simpsons Ltd. 5½% 1949	73.00	75.00	73.50
Simpsons Ltd. 6% 1949	76.00	78.50	77.00
Steel of Canada 6% 1940	104.00	105.50	103.25
Stop & Shop 6% 1947	66.00	....	65.00
Toronto Carpet 6% 1944	83.00	....	82.00
United Gas & Fuel 5½% 1948	74.50	78.00	74.00
United Grain Growers 5% 1948	77.00	80.00	76.00
United Grain Growers 5½% 1949	78.00	81.00	78.00
Wabasso Cotton 7% 1942	72.00	76.00	72.00
Western Grain 6% 1949	68.00	71.00	67.00
Public Utility Bonds:			
Bell Telephone 5% 1955	105.00	107.00	106.00
Bell Telephone 5% 1957	106.00	107.75	106.00
B. C. Power 5½% 1960	90.00	91.50	89.50
B. C. Telephone 5% 1960	95.00	96.50	95.50
Calgary Power 5% 1960	82.00	84.00	83.00
Can. Northern Pwr. 5% 1953	78.00	81.25	79.50
Duke-Price Pwr. 6% 1966	79.00	81.75	79.75
French Nat'l Mail S.S. 6% 1952	130.00	....	125.00
Gatineau Pwr. 6% 1941 A	71.00	72.50	70.50
Gatineau Pwr. 5% 1956	77.00	79.00	78.50
Maclaren Quebec 5½% 1961	81.00	83.00	82.00
Manitoba Power 5½% 1951	32.00	35.00	30.00
Montreal Isl. Pwr. 5½% 1957	96.50	98.00	96.50
Montreal LH&P 5% 1951	105.50	107.50	106.00
Montreal LH&P 5% 1970	104.50	107.00	105.50
Montreal Tram 5% 1941 July	95.50	97.00	95.75
Montreal Tram 5% 1955	75.25	76.50	76.50
Northwest. Utilities 7% 1938	96.00	97.50	96.00
Ottawa Valley Pwr. 5½% 1970	98.50	100.50	99.00
Quebec Power 5% 1968	95.50	97.00	95.00
Rio Tramways 5% 1935	99.50	102.00	100.00
Shawinigan W. & P. 4½% 1970	69.50	73.00	72.50
Shawinigan W. & P. 5% 1970	79.50	82.50	84.00
Shawinigan W. & P. 6% 1967	68.00	70.00	....
Southern Can. Pwr. 5% 1955	99.50	101.00	99.00
West Kootenay Pwr. 5% 1956	97.00	98.50	96.00
Government, Provincial & Railways:			
C. N. R. 4½% 1951 Dom. Gtd.	101.25	102.00	101.00
C. N. R. 4½% 1957 Dom. Gtd.	101.00	101.75	101.00
C. N. R. 5% 1969 Dom. Gtd.	106.00	107.00	107.00
C. P. R. 4½% 1944	81.25	83.25	81.00
C. P. R. 6% 1942	112.00	112.00	110.00
Dom. of Can. 5% 1936	102.75	103.50	102.50
Dom. of Can. 5% 1941	104.25	105.25	104.00
G. T. P. 3% 1962 Dom. Gtd.	81.25	82.25	81.00
G. T. P. 4% 1962 Dom. Gtd.	95.25	96.50	95.00
Ont. Hydro 3½% 1952 Ont. Gtd.	92.00	93.00	93.00
Ont. Hydro 4¾% 1970 Ont. Gtd.	100.00	102.00	101.00
Ont. Hydro 4% 1957 Ont. Gtd.	93.00	94.50	92.00
Prov. of N. B. 5½% 1952	104.00	105.00	....
Prov. of Ont. 5½% 1946	107.75	108.25	107.00
Prov. of Ont. 5% 1948	104.25	105.00	104.00
Prov. of Ont. 5½% 1944	102.25	104.00	102.00

Listed Bond Quotations

Week Ending September 18, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Range, 1933 Low
Abitibi, 1st mtge.§	5	1953	...	24	...	...	18	13
Asbestos	5	1942	...	23	...	...	*65½	49
Can. Cons. Rub.	6	1946	...	...	...	...	62	...
Can. Cottons	5	1940	8.11	...	...	...	84⅜	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. Pr. (Laur.)	5½	1958	...	5	...	...	3	3
Do., (Way. Ser.)	5½	1958	...	5	...	...	*28½	5½
Can. S.S. Debs.	5	1943	...	...	...	...	*83½	...
Cedars Rapids	5	1953	...	...	...	...	108	108
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	2.75	...	...	3.00	1.00
Mex. L. & Pr.	5	1940	...	†59	...	...	*73½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	45½	46½	45	47½	39⅜
Mont. Tr. 1st mtg.§	5	1941	5.78	95½	...	...	98½	95½
Mont. Trams. A§	5	1955	6.84	75½	...	...	81⅛	58
Do., G & Ref. B	5	1955	7.47	75½	...	...	73½	...
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	6.86	75½	...	...	77⅜	76½
N. S. Steel	5	1959	...	...	...	...	*62⅜	58
Ontario Steel	6	1943	7.4	87½	90	...	90	80
Porto R. Pr.	5	1936	...	...	...	...	*93	88
Steel of Canada§	6	1940	...	104	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	†79	79	...	79	...
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*102½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	106.25	....	....	116.25	114.25
Victory Loan	5½	1933	3.60	100.00	....	....	100.75	100.00
Do.	5½	1934	3.78	101.50	....	....	102.60	101.15
Do.	5½	1937	3.10	109.00	....	....	110.25	109.25
Do., refund	4½	1940	4.09	101.50	....	....	101.25	99.70
Do., refund	5	1943	4.39	104.50	104.90	....	104.90	101.85
Do., refund	4½	1944	4.25	101.50	....	....	100.50	98.75
Do., refund	4½	1946	4.27	101.50	....	....	*92.25	91.50
Do., renewal	4	1952	4.29	95.25	....	....	95.25	91.63
Conversion Loan	4½	1956	4.45	100.00	....	....	100.50	97.00
Do.	4½	1957	4.56	100.00	....	....	99.00	96.00
Do.	4½	1958	4.51	100.00	....	....	100.50	97.75
Do.	4½	1959	4.50	101.00	....	....	100.87	97.50
Nat. Service Loan	5	1936	3.90	102.50	102.75	....	103.25	101.50
Do.	5	1941	4.30	104.25	....	....	103.75	100.75
Dom. Loan	4	1935	3.70	99.75	....	....	99.75	99.75
Unlisted:								
Cons. Paper	5½	1961	...	...	15½	15	....	....

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

September 19, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1958	1 Oct.	89.00	5.29
Alberta	5	1 July, 1943	1 Jan.	96.25	5.49
Alberta	6	1 Mar., 1947	1 Mar.	103.00	5.68
*British Columbia	4½	1 Oct., 1953	1 Oct.	90.50	5.26
*British Columbia	5	15 Jan., 1948	15 Jan.	95.50	5.45
British Columbia	6	15 Feb., 1947	15 Feb.	103.00	5.68
Manitoba	4	1 July, 1947	1 Jan.	83.00	5.79
*Manitoba	5	2 Dec., 1959	2 Dec.	94.00	5.43
Manitoba	6	1 Apr., 1947	1 Oct.	100.50	5.95
*New Brunswick	4	1 June, 1948	1 Dec	92.00	4.75
*New Brunswick	4½	15 June, 1936	15 Dec.	101.00	4.37
New Brunswick	5½	15 May, 1950	15 Nov.	106.00	4.97
*Nova Scotia	4½	15 Nov., 1948	15 Nov.	100.50	4.45
Nova Scotia	5	1 May, 1943	1 Nov.	102.00	4.75
*Ontario	4½	1 Sept., 1944	1 Mar	103.50	4.10
Ontario	5	15 Oct., 1948	15 Oct.	105.00	4.55
Ontario	5½	1 Feb., 1947	1 Feb.	108.50	4.65
P. E. I.	4	1 Apr., 1935	1 Oct.	96.90	4.60
P. E. I.	6	1 May, 1947	1 Nov.	112.00	4.81
*Quebec	4½	1 May, 1961	1 Nov.	102.00	4.13
*Saskatchewan	4½	1 Sept., 1955	1 Mar.	86.50	5.57
*Saskatchewan	5	1 Nov., 1959	1 Nov.	92.00	5.58
Saskatchewan	6	15 Mar., 1952	15 Mar.	100.00	6.00
*Newfoundland	5	31 Dec., 1952	31 Dec.	84.00	6.45
*Newfoundland	5½	1 July, 1939	1 Jan.	86.00	8.49
*Newfoundland	6½	30 June, 1936	31 Dec.	95.00	8.75
Cities					
*Montreal	5	1 Sept., 1963	1 Mar.	104.80	4.70
*Toronto	4½	1 Jan., 1955	1 Jan.	100.00	4.50
*Vancouver	5	15 Jan., 1970	15 Jan.	92.00	5.52
Winnipeg	5	1 Mar., 1944	1 Mar.	93.50	5.78
*Edmonton	5½	1 Apr., 1947	1 Oct.	92.50	6.32
Calgary	5	1 Jan., 1943	1 Jan.	90.00	6.42
Halifax	6	1 July, 1951	1 Jan.	115.01	4.75
Saint John	5	15 Dec., 1950	15 Dec.	102.95	4.75
Regina	4½	1 July, 1950	1 Jan.	79.60	6.50
Victoria	5	21 July, 1945	21 Jan.	93.56	5.75
Quebec	5	1 June, 1948	1 Dec.	101.00	4.90

*Payable in New York.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto
September 19, 1933

Industrial Stocks	Bid	Asked
Acadia Sugar c.	.90	1.20
Acadia Sugar 6% pfd.	3.75	....
Acme Farmers Dairy 7% pfd.	....	40.00
Agnew Surpass 7% pfd.	66.00	71.00
Allens Lond. 7% pfd. bonus c.	33.00	....
Allens St. Cath. 7% pfd. bonus c.	33.00	....
Allens Toronto 7% pfd. bonus c.	19.00	....
Andian National U. S. Funds	25.00	27.00
Atlantic Sugar A pfd.	83.00	....
B. C. Pulp & Paper pfd.	6.50	10.00
Burns pfd. bonus com.	5.50	9.50
Canada & Dominion Sugar	31.00	32.75
Canada Mach. c.	3.25	5.50
Canada Mach. pfd.	20.00	....
Canada Packers c.	32.00	35.00
Canada Packers pfd. cum-div.	103.00	106.00
Canada Starch 7% pfd.	64.00	....
Canada Tea 7% pfd.	45.50	57.00
Canada Wire & Cable 6½% pfd. WW	63.00	68.00
Can. Industries com. A	106.00	....
Can. Industries com. B	104.00	108.00
Can. Industries 7% pfd.	123.00	128.00
Can. Westing.	44.25	48.00
Chase. A. W. pfd. bonus com.	10.50	14.00
Claude Neon Gen. Adv. Units	5.00	6.00
Dom. Foundries & Steel 8% pfd.	45.00	52.00
Dom. Foundries & Steel com.	5.00	6.00
Dom. Manufacturers 7% pfd.	....	60.00
Dunlop Tire 7% pfd.	54.00	60.00
Eastern Dairies Ltd. 7% pfd.	....	24.00
Edmonton Stockyards Units	....	50.00
Federal Grain c.	1.25	3.25
Federal Grain 6½% pfd.	29.00	32.00
A. J. Freiman pf.	48.50	53.00
General Steel Wares pfd.	13.50	....
Goderich Elevator & Transit	4.25	5.75
Greening Wire 7% pfd.	48.00	53.00
Guelph Carpet 6½% pfd. bonus	65.50	70.00
Guelph Carpet c.	5.50	....
Inter City Baking com.	16.50	19.00
Inter. Proprietaries A	32.00	33.25
Loew's London c.	.30	.75
Loew's London 7% pfd.	3.55	4.50
Loew's Toronto 7% pfd.	58.50	....
Massey-Harris 5% pfd.	....	17.00
Medical Arts pfd. bonus com.	95.00	....
Mount Royal Hotel com.	.35	.70
Mount Royal Hotel 6% pfd.	3.00	4.00
Nat. Grocers com.	1.70	2.05
Nat. Grocers 7% pfd.	....	90.00
Ont. Silknit pfd.	40.00	45.00
Paramount Kitchener pfd.	31.25	....
Paramount Oshawa com.	2.25	....
Paramount Oshawa pfd.	31.00	....
Provincial Paper 7% pfd.	63.50	....
Reliance Grain 6½% pfd.	45.00	55.00
Rolland Paper 6% pfd. WW	50.50	....
Serv. Stations A pfd.	30.00	40.00
Standard Clay Products com.	....	14.00
Standard Fuel 6½% pfd. bonus	64.00	....
Supersilk pfd bonus	31.00	....
Supertest Petroleum B	21.25	....
Toronto Elevators 7% pfd.	91.00	94.00
United Corpns. Ltd. A	5.00	....
United Corpns. Ltd. B	1.25	....
Ind. Stock cont'd.		
United Grain Growers	11.50	14.00
Western Grain 6½% pf. bonus	14.00	18.00
Western Grocers pfd.	84.00	87.00
Wood, Alex. & James pfd.	16.25	21.00
Insurance Stocks:		
Br. Amer. Assce.	22.00	....
Canada Life Ass.	415.00	....
Can. Fire Ins.	55.00	....
Confederation Life 20% pd.	125.00	....
Continental Life 20% pd.	43.00	60.00
Crown Life Ins.	91.00	....
Dom. Fire Ins.	83.00	....
Dominion Life 50% pd.	150.00	....
Dom. of Can. Gen. Ins.	96.00	103.00
Empire Life 25% pd.	9.75	12.00
Excelsior Life 30% pd.	72.00	....
Federal Fire 25% pd.	37.50	....
Fidelity Ins. Co.	49.00	....
Great-West Life Assce.	315.00	350.00
Guarantee Co. of N. A.	255.00	....
Imperial Life	276.00	....
Mfrs. Life Ins.	252.00	260.00
Monarch Life 10% pd.	23.00	27.00
National Life 25% pd.	55.00	65.00
Saskatchewan Life 10% pd.	7.75	12.00
Sovereign Life 25% pd.	22.00	27.00
Sun Life Assur.	465.00	490.00
Western Assur. c.	15.00	18.00
Western Life 20% pd.	9.75	12.00
Trust & Loan Stocks:		
Br. Mtg. & Trust	125.50	145.00
Can. Gen. Investments Ltd.	5.00	5.25
Can. Investors Corp.	5.50	7.00
Chartered Trust	54.00	60.00
Debenture & Sec. com.	5.25	....
Debenture & Sec. 5% pfd.	18.25	....
Dom. & Anglo Invest. Units	185.50	....
Eastern Can. Sav. & Loan	110.00	116.00
Eastern Trust	135.00	146.00
Guelph & Ont. Inv. par $50	46.50	51.00
Investment Foundation Units	28.00	32.00
Lambton Loan & Savings	51.00	57.50
London & West. Trust	....	50.50
Premier Trust	....	80.00
Provincial Bank	84.00	89.00
Security Loan & Savings	95.00	....
Sherbrooke Trust	100.00	110.00
Sterling Trust	....	43.00
Traders Finance A com.	.50	....
Traders Finance 7% A pfd.	30.00	....
Trusts & Guar.	29.00	....
Victoria Trust & Savings	131.00	139.00
Waterloo Trust & Savings	91.00	100.00
Power Issues:		
B. C. Elect. Pwr. & Gas pfd.	99.50	101.50
Calgary Power 6% pfd.	78.50	82.50
Can. Light & Power com.	20.50	24.00
Can. West. Nat. Gas LH&P pfd.	79.00	82.50
Maritime Tel. & Tel. com.	8.40	9.50
Maritime Tel. & Tel. 7% pfd.	10.00	11.50
N. B. Telephone c.	8.00	9.25
N. S. L&P com.	25.00	....
N. S. L&P 6% pf.	70.50	75.00

Recent London Quotations:

Brewers & Distillers	10s. 6d.
Can. & For. Secs.	4s. 6d.
Can. West. Lumber	1s. 7¼d.
Hudson's Bay	27s.
Do., 5% pref.	93s. 9d.
Internat. Holdings	$2⅝
Nfld. Pr. & Pap. deb. stock B	94
Trust & Loan of Can.	3s. 4d.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Assoc. Breweries, pref.	7%	1¾%	Oct. 1	Sept. 15
Agnew Surpass pref.	7%	1¾%	Oct. 2	Sept. 15
Biltmore Hats pref.	7%	1¾%	Sept. 15	Aug. 15
Brantford Cordage, 1st pfd.	$2	50c	Oct. 15	Sept. 20
Burt, F. N.	$2	50c	Oct. 2	Sept. 15
Do., pref.	$7	$1.75	Oct. 2	Sept. 15
Belding Corticelli c.	$4	$1	Nov. 1	Oct. 14
Building Products A & B	$1	25c	Oct. 2	Sept. 19
B. C. Power "A"	$2	50c	Oct. 16	Sept. 30
Brazilian Traction pfd.	6%	1½%	Oct. 2	Sept. 15
Bank of Nova Scotia	12%	3%	Oct. 2	Sept. 15
Bell Telephone Co.	6%	1½%	Oct. 16	Sept. 23
Brit. Amer. Oil (14)	80c	20c	Oct. 2	Sept. 16
Canada Nor. Power	80c	20c	Oct. 25	Sept. 30
Do., pref	7%	1¾%	Oct. 16	Sept. 30
Canada Perm. Mortgage	10%	2½%	Oct. 2	Sept. 15
Can. Celanese pref.	$7	$1.75	Sept. 30	Sept. 18
Canadian Cottons pfd.	6%	1½%	Oct. 4	Sept. 16
Canadian General Elec.	$3	75c	Oct. 1	Sept. 15
Do., pref.	7%	1¾%	Oct. 1	Sept. 15
Canadian Oil pref.	8%	2%	Oct. 2	Sept. 20
Central Canada Loan	8%	2%	Oct. 2	Sept. 15
Calgary Power c.	$6	$1.50	Oct. 2	Sept. 15
Can. Canners 1st pfd.	$6	$1.50	Oct. 2	Sept. 15
Do., 2nd pref.	20c	5c	Oct. 2	Sept. 15
Canadian Car, pref.	$1.75	43c	Oct. 10	Sept. 25
Consumers' Gas	10%	2½%	Oct. 2	Sept. 15
Confederation Life 20% pd.	$4	$1	Sept. 30	Sept. 25
Can. Gen. Invest. (No. 21)	30c	7½c	Oct. 16	Sept. 30
Dome Mines	$1	25c	Oct. 20	Sept. 30
Do., extra	...	25c	Oct. 20	Sept. 30
Dominion Bank	10%	2½%	Oct. 2	Sept. 20
Dominion Bridge	$2	50c	Nov. 15	Oct. 31
Dominion Stores	$1.20	30c	Oct. 2	Sept. 15
Dominion Textiles c.	$4	$1	Oct. 2	Sept. 15
Do., pfd.	7%	1¾%	Oct. 16	Sept. 30
Dominion Glass	$5	$1.25	Oct. 2	Sept. 15
Do., pref.	$7	$1.75	Oct. 2	Sept. 15
Eastern Steel Prod. pfd.	$7	$1.75	Oct. 2	Sept. 15
Economic Inv. Trust	37½c	18¾c	Oct. 2	Sept. 20
Freiman, A. J., pref.	6%	1½%	Oct. 2	Sept. 15
Fanny Farmer	$1	25c	Oct. 2	Sept. 15
Do., pref.	$2.40	60c	Oct. 2	Sept. 15
Gurd, Chas., pref.	$7	$1.75	Oct. 2	Sept. 15
Goodyear Tire	$2.40	60c	Oct. 2	Sept. 15
Do., pref.	$7	$1.75	Oct. 2	Sept. 15
Hollinger Gold	65c	5c	Oct. 7	Sept. 22
Hamilton United Theatres	7%	1¾%	Sept. 30	Aug. 31
Hunt's, "A" & "B"	50c	12½c	Oct. 2	Sept. 15
Howe Sound	$1	25c	Oct. 15	Sept. 30
Huron & Erie Mtg.	$6	$1.50	Oct. 2	Sept. 15
Imperial Tobacco	35c	8¾c	Sept. 30	Aug. 30
Do., pfd.	6%	3%	Sept. 30	Aug. 30
Inter. Nickel, pref.	7%	1¾%	Nov. 1	Oct. 2
Inter. Hydro-Elec. pfd.	$3.50	87½c	Oct. 15	Sept. 25
Invest. Foundation pfd.	$1.50	37c	Oct. 16	Sept. 30
Do., extra on arrears	...	13c	Oct. 16	Sept. 30
Jamaica Pub. Serv.	$1	25c	Oct. 2	Sept. 15
Do., pref	$7	$1.75	Oct. 2	Sept. 15
Landed Bkg. & Loan	6%	1½%	Oct. 2	Sept. 15
Mitchell, J. S., pfd.	$7	$1.75	Oct. 2	Sept. 15
Montreal L. H. & Pr.	$1.50	37c	Oct. 31	Sept. 30
McColl-Fron. pref.	$6	$1.50	Oct. 14	Sept. 30
Mtl. City & Dist. Bk.	$12	$3	Oct. 2	Sept. 15
Moore Corp. pref. "A"	$7	$1.75	Oct. 2	Sept. 15
Do., pref. "B"	$7	$1.75	Oct. 2	Sept. 15
National Biscuit c.	$2.80	70c	Oct. 14	Sept. 22
North Star Oil pref.	35c	8¾c	Oct. 2	Sept. 15
National Trust	$8	$2	Oct. 2	Sept. 20
National Breweries	$1.60	40c	Oct. 2	Sept. 15
Do., pref.	$1.75	44c	Oct. 2	Sept. 15
Northern Ont. Power	$2	50c	Oct. 25	Sept. 30
Do., pref.	6%	1½%	Oct. 25	Sept. 30
Ogilvie Flour c.	$8	$2	Oct. 2	Sept. 21
Ottawa L. H. & Pr.	$6	$1.50	Sept. 30	Sept. 15
Do., pref.	$6.50	$1.62½	Oct. 2	Sept. 15
Ontario Loan & Deb.	12%	3%	Oct. 2	Sept. 15
Page Hersey Tubes	$3	75c	Oct. 2	Sept. 20
Do., pref.	$7	$1.75	Oct. 2	Sept. 20
Provincial Paper pfd.	7%	1¾%	Oct. 2	Sept. 15
Pioneer Gold Mines of B.C.	60c	15c	Oct. 2	Sept. 8
Porto Rico Power pfd.	$7	$1.75	Oct. 2	Sept. 15
Premier Gold Min.	12c	3c	Oct. 16	Sept. 15
Riverside Silk "A"	$1	25c	Oct. 1	Sept. 15
Robinson Cons. Cone	$1	25c	Oct. 2	Sept. 15
Standard Fuel pfd.	$6.50	$1.62½	Oct. 2	Sept. 15
Siscoe Gold Mines	12c	3c	Sept. 30	Sept. 15
Southern Can. Power pfd.	6%	1½%	Oct. 16	Sept. 20
Sylvanite Gold Mines (interim)	...	2½c	Sept. 30	Aug. 31
Standard Steel, A pfd.	$3	75c	Oct. 1	Sept. 15
Supertest Pete. "A" pfd.	$7	$1.75	Oct. 2	Sept. 15
Do., "B" pfd.	$1.50	37½c	Oct. 2	Sept. 15
Do., ord. and com.	$1	25c	Oct. 2	Sept. 15
Thrift Stores	40	10c	Oct. 1	Sept. 23
Do., pref.	6½%	1⅝%	Oct. 1	Sept. 23
Toronto Mortgage	$6	$1.50	Oct. 2	Sept. 15
West Kootenay Power, pfd.	7%	1¾%	Oct. 2	Sept. 22
Western Grocers pref.	$7	$1.75	Oct. 15	Sept. 20
Wright-Hargreaves	20c	5c	Oct. 2	Sept. 9
Do., extra	...	5c	Oct. 2	Sept. 9
Weston, Geo., c.	$1	25c	Oct. 2	Sept. 20
Whittall Can., pfd.*	$6.50	$1.62½	Oct. 2	Sept. 15

*Payments from Oct. 1, 1931 to Apr. 1, 1933 inclusive not paid.

Dividend Rate Reduced:
Huron & Erie Mortgage Oct. 2, $7 to $6 per annum.
Economic Investment Tr. Oct. 2, 75c. to 37½c per annum.

Dividends Passed or Deferred:
Canada Bread, 1st pref. Oct. 1 passed. Last paid $1.75 Aug. 15, 1933.

Dividend Rate Increased:
Howe Sound, Oct. 15, 40c. to $1 per annum.

CLASSIFIED ADVERTISEMENTS

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Forward-Looking Executive Seeks Position

Do you need in your organization a man to fill a responsible executive position, who has had a thorough and wide experience in sound business management? Here is a man who has spent fifteen years in senior executive positions, the last ten in an advertising agency, meeting problems of management, financing, merchandising and selling in a variety of businesses. He knows how to coordinate sales and advertising, how to plan for business success, and how to execute such plans. He can bring to a new connection a valuable fresh outside viewpoint.

This man seeks a new connection where such a background, a pleasing personality and a broad experience in handling men will give him a worth while opportunity. He's on the right side of 40; married; Canadian; good habits; a hard worker; at present employed. His past record will bear the closest scrutiny. Excellent references.

The opportunity this man seeks may be with an industrial organization, a commercial enterprise, a publishing house, or an advertising agency, in a managerial, sales or advertising capacity. Available October 15.

A specially prepared brochure setting forth his background and experience will be sent interested parties. Box 172, Financial Post, Toronto, Can.

Handwriting Analysis

DO YOU WANT A COMPLETE knowledge of yourself and powers? Send specimen of handwriting for a thumb-nail analysis—which gives your right job, what you look like, personality, marriage affinity, faults to remedy. Fee $1. State present work. Address F. D. Jacob, P. O. Box 701, Ottawa, Ont. Well-known graphologist, heard over Radio this summer.

Working Partner Wanted

A SMALL ESTABLISHED SHRUB and flower nursery with greenhouses near Toronto requires a working partner who will take over office and sales work. A good opportunity for man retiring from active business. Box 170, The Financial Post, Toronto, Ont.

Office Furniture

BOARD ROOM TABLE — MAHOGANY, 4 ft. by 10 ft., $200; cost $400. Good as new. Box 130, The Financial Post, Toronto.

Service for Investors

INDIVIDUAL investors may secure a special service on specific companies in which they are interested. Service includes detailed analyses and all newscards and revisions published on those companies during the year. Send in your list of companies. Rate—$12 a year for any 10 companies. Additional companies pro rata. Or write The Financial Post Corporation Service, 210 Dundas Street West, Toronto, for further particulars.

Verbatim Reports

BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to insure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

Dominion Glass Company Limited

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 30th day of September, 1933.

Notice is also hereby given that a dividend of one and one-quarter per cent (1¼%) has been declared on the COMMON STOCK of the Company for the quarter ending the 30th day of September, 1933.

The above Dividends are payable on Monday, the 2nd day of October, 1933, to Shareholders of record at the close of business Friday, the 15th day of September, 1933.

By Order of the Board.

MERVYN OFFER
Secretary.

Montreal, 5th September, 1933.

The Toronto Mortgage Company

QUARTERLY DIVIDEND

Notice is hereby given, that a Dividend of Three per cent., upon the paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st October, 1933,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,

WALTER GILLESPIE.
Manager.

The Whittall Can Company, Limited

Dividend Notice

Notice is hereby given that a Dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, on the Cumulative Convertible (Redeemable) Preferred Stock of the Company, has been declared, payable October 2nd, 1933, to Shareholders of record September 15th, 1933.

By order of the Board.

D. H. MACFARLANE,
Secretary-Treasurer.

Montreal, September 14th, 1933.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable October 2nd, 1933, to Shareholders of record as at close of business, September 15th, 1933.

W. S. BARBER,
Secretary-Treasurer.

Toronto, Ont.

69th Quarterly Dividend

Notice is hereby given that a dividend of Thirty-seven Cents per share (being at the rate of One Dollar and Fifty Cents per annum) on the no-par-value Common Shares of the Company presently issued and paid-up for Quarter ending September 30th, 1933, has this day been declared to shareholders of record, September 30th, 1933, on the Montreal and London, England, registers.

Dividend cheques will be mailed to registered shareholders October 31st, 1933.

By Order of the Board,

G. R. WHATLEY,
Secretary.

Montreal, September 18th, 1933.

Montreal Light Heat & Power
CONSOLIDATED

Owned by 60,000 shareholders, Montreal Light Heat & Power comprises the largest group of customer-owners possessed by any public utility company in Canada

Tooke Shareholders Elect Trower President

From Our Own Correspondent

MONTREAL.—W. K. Trower was elected president of Tooke Bros. Ltd. at the annual meeting of the shareholders. Donald A. Young was elected to the position of vice-president and managing director.

The new board includes the following: Col. H. J. Trihey, C. W. MacLean, W. Gordon Hanson, Donald A. Young, H. Barrett, F. J. Knox, and W. K. Trower.

Bruck Silk Mills Sales Record Increase

From Our Own Correspondent

MONTREAL. — Bruck Silk Mills officially report that sales in August last came within one per cent of equalling the previous monthly record made in January, 1930. The company further reports indications are that September and October, the two final months of the current fiscal year, will show continuation of this upward trend in sales.

DIVIDEND NOTICES

The Montreal City & District Savings Bank

Dividend Notice

A dividend of three dollars per share of the paid-up Capital Stock of this Bank has been declared for the current quarter, payable on and after Monday, the second day of October next, to shareholders of record Friday, the fifteenth day of September next, at three o'clock, P.M.

By order of the Board,

T. TAGGART SMYTH,
General Manager.

Montreal, August 29th, 1933.

THRIFT

STORES, LIMITED
DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared by Thrift Stores Limited:

One and Five-eighths per cent (1⅝%) on the 6½% FIRST CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES and

One and Three-quarters per cent (1¾%) on the SECOND CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES.

The above Dividends are for the quarter ending September 30th, 1933, payable October 1st, 1933, to Shareholders of record September 23rd, 1933.

Ten Cents per share on the COMMON SHARES OF NO PAR VALUE, payable October 1st, 1933, to Shareholders of record September 23rd, 1933.

By order of the Board of Directors.

THOS. F. MUNDY, Sec.-Treas.
Montreal, September 19th, 1933.

DIVIDEND NUMBER 245

Hollinger Consolidated Gold Mines Limited

A regular dividend of 1% has been declared on the Capital Stock of the Company, payable on the 7th day of October, 1933, on which date cheques will be mailed to shareholders of record at the close of business on the 22nd day of September, 1933.

Dated the 15th day of September, 1933.

I. McIVOR,
Assistant-Treasurer.

McCOLL-FRONTENAC OIL COMPANY LIMITED

Preferred Dividend No. 23

NOTICE IS HEREBY GIVEN that a Dividend of $1.50 per share, being at the rate of 6 per cent per annum, has been declared on the 6 per cent Cumulative Preferred Stock of McColl-Frontenac Oil Company, Limited, for the quarter ending September 30, 1933, payable October 14, 1933, to Shareholders of record at the close of business on September 30, 1933.

By Order of the Board.

FRED HUNT,
Secretary.

August 31, 1933.

Henry Darling Former Bank Head Dies in New York

Prominent in Toronto business circles, half a century ago and second president of the Canadian Bank of Commerce, Henry W. Darling died recently in New York at the age of 86 years. Native of Edinburgh, Scotland, where he was born in 1847, Mr. Darling came to Montreal in 1862 where he engaged in the dry goods business. By 1884 he had formed his own firm of H. W. Darling & Co. in Toronto, which was later merged with that of A. R. McMaster & Brother, to form the McMaster, Darling & Co. From 1883 to 1886 he served as president of the Toronto Board of Trade.

When Hon. William McMaster, first president of the Canadian Bank of Commerce, retired in 1886 due to ill-health and advancing years he proposed Henry Darling as his successor and for three years, Mr. Darling was president of the bank until 1890 when he was succeeded by George A. Cox who guided the destinies of the bank for 17 years. Mr. Darling later went to the United States as treasurer of the General Electric Co. at Schenectady, N.Y.

When Mr. Darling became president of the Canadian Bank of Commerce it operated 33 branches and had total deposits of $10,951,000. All branches were in Ontario with the exception of one in New York while a branch in Chicago had been but recently closed. Upon Mr. Darling's retirement in 1890, there were 40 branches with total deposits of $12,493,000. He guided the bank through a difficult period in 1887 when deposits dropped off and reserve fund was reduced from $1,600,000 to $500,000.

Sir John Aird, president of the Canadian Bank of Commerce, characterizes Mr. Darling as "an able business man highly regarded in the Toronto of his day," a man of "strong personal opinions."

DOMINION STORES SALES IMPROVED

Comparison With 1932 Sales Shows Smaller Decline

Improvement in sales of Dominion Stores Ltd. is reported for the four week period ended Sept. 9 when sales of $1,470,398 were not only larger than those of the preceding four weeks' period for the first time in three months but the decline from sales in the same period of the previous year was markedly lower. Sales for the period ended Sept. 9 were only 7.81 per cent under the sales in the corresponding period of 1932 which is the smallest decline to be recorded in the current year.

Sales during 1933, up to Sept. 9, totalled $13,523,261 as compared with sales of $15,753,489 in the same period of 1932. This represents a reduction in sales of 14.16 per cent from the 1932 level. During the current year the number of stores in operation has been reduced and during September 54 fewer stores were operated than were operated in September, 1932.

Mining Stock Quotations

Week Ending September 18.

MINING STOCK QUOTATIONS
Week Ending September 18.

Par Val.	Range 1933 High	Low	Company	Sales	Close Sept. 11 (or last)	High for week	Low for week	Close Sept. 18
1	.02½	.00½	Aconda	......	.02	.....	.....	.....
No	.30	.03	Aldermac	12,350	.23	.23	.22	.23
1	.03¾	.01	Alexandria	24,000	.02½	.02½	.02	.02½
No	.06	.02	Algoma	82,664	.02½	.03	.02½	.02½
1	.01½	.00½	Algonquin	......	.00½	.....	.....	.....
1	.06	.00½	Amity C.	44,600	.04½	.04½	.04	.04½
No	.74	.10	Amulet	28,806	.60	.61	.50½	.52
1	.01	.00½	Apex	......	.00½	.....	.....	.....
1	.07½	.02	Area	22,000	.06½	.06	.05½	.05½
No	.11	.07	Arno (new)	17,700	.07½	.08½	.07	.07½
1	1.36	.74	Ashley	1,700	.95	1.25	.95	1.10
1	.14	.02½	Bagamac	15,800	.05	.06	.05	.05
1	.03	.00½	Baldwin	1,500	.01	.01½	.01	.01
1	.20	.08	Barry Hollinger	31,080	.09½	.10	.09	.09½
1	2.45	.75	Base Metals	15,095	1.90	2.20	1.90	2.15
1	.78	.60	B. E. A. R.	104,675	.68	.78	.69	.69
1	.40½	.08	Big Missouri	64,855	.19	.20	.17	.19
1	.28½	.08¾	Bobjo	59,620	.26½	.27	.25	.27
No	13.25	2.28	Bralorne	17,030	11.25	13.25	11.35	12.90
1	.25	.15	Brett Trethewey	10,100	.21½	.23	.20½	.20½
1	.07½	.01½	Brownlee	155,600	.03½	.04	.03½	.03½
1	.03	.00½	Buckingham	6,500	.01	.01½	.01½	.01½
No	.09½	.01½	Buffalo Can.	27,500	.08	.07½	.05½	.07½
5	20.20	15.60	Bulolo	3,895	18.50	20.20	18.50	20.15
No	.10	.01½	Bunker Hill	60,500	.08½	.08½	.07½	.08½
5s	1.25	.60	B'Wana McKubwa	......	.75	.....	.....	.....
No	.05	.02½	Canam Metals	8,500	.05	.05	.04	.05
1	.12½	.03	Can. Kirkland	28,400	.09	.09½	.09	.09½
No	.46	.32	Can. Malartic	18,200	.44	.46	.40	.46
1	.02	.00½	Capital Rouyn	13,500	.01	.01	.00¾	.01
1	.03½	.01	Cartier Malartic	......	.01	.....	.....	.....
1	.72	.15	Castle Trethewey	58,620	.47	.61	.50½	.61
1	.18	.06	Cen. Manitoba	68,720	.10	.14	.10	.13
1	.59½	.17	Cen. Patricia	73,400	.51½	.59½	.50½	.59½
No	.20	.03	Chibougamau Pros.	41,800	.07½	.08	.07	.07
No	.12	.03	Church. M. & Mill.	8,900	.10	.10	.09½	.09½
No	.04	.00¾	Clericy	49,100	.03	.03	.02½	.03
1	.03	.01	Clifton Cons.	7,000	.01½	.02	.01½	.02
5	9.00	1.65	Coast Copper	180	5.10	6.00	5.00	5.50
1	.15	.00½	Cobalt Contact	468,000	.05¾	.08	.06	.07½
1	.33	.05	Columario	15,500	.15	.17	.15½	.16
5	1.90	.75	Coniagas	6,250	1.50	1.74	1.50	1.70
No	1.00	.20	Coniaurum	10,027	1.00	1.00	.80	.80
25	142.00	54.00	Cons. Smelters	2,712	135.50	138.50	133.00	137.50
No	39.50	13.60	Dome Mines	22,092	35.50	39.00	34.35	38.50
No	.15½	.03½	Dom. Explorers	19,000	.06½	.07½	.06½	.07
1	.02½	.00½	Dominion Kirk	33,000	.01½	.01½	.01½	.01½
1	.04	.01	Don Rouyn	2,500	.01½	.01½	.01½	.01½
1	.04½	.01½	Duparquet	......	.01½	.....	.....	.....
1	8.10	1.16	Eldorado	77,860	3.89	4.75	4.00	4.69
No	4.55	1.80	Falconbridge	3,498	3.99	4.00	3.80	3.85
1	.06	.01	Federal	9,200	.02½	.02½	.02½	.02½
No	.07	.01	Gilbec	16,800	.03½	.03½	.03	.03½
1	.17	.04	Goldale	21,300	.14	.14	.13	.13½
10	.29	.10	Goldfield	9,500	.23	.23	.20½	.20½
.	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.15	.02	Goodfish	50,200	.14½	.15	.12	.13½
1	.04	.01	Graham	6,000	.02	.02	.02	.02
1	1.95	.75	Granada	11,670	.88	.90	.88	.88
1	.18	.06	Grozelle	8,000	.08	.08	.06	.07
1	.45	.24	Halcrow Swayze	13,950	.43	.45	.43	.45
1	.06	.02	Harker	12,500	.03¾	.04	.03½	.03¾
1	.01½	.00½	Hilltop	11,500	.01½	.01	.01	.01
5	10.90	6.00	Hollinger	23,784	10.35	10.80	10.00	10.70
1	1.10	.61	Howey Gold	87,275	.98	1.10	.97	1.08
No	12.25	3.10	Hudson Bay	3,379	10.25	11.25	10.00	11.25
No	.55	.25	Huronian	......	.45	.....	.....	.....
1	12.00	8.50	Inter. Mining	610	8.50	11.25	11.00	11.25
.	4.00	2.75	Do., Pur. Warr.	......	2.75	.....	.....	.....
No	23.25	8.00	Int. Nickel	72,515	21.40	22.45	21.00	22.05
1	.04	.00½	Jackson Manion	137,000	.03½	.03½	.02¾	.02¾
1	.70	.20	Keeley	3,125	.55	.55	.50	.53
1	.02	.00½	Keora Mines	4,500	.01	.01	.00¾	.00¾
1	.76	.48	Kirk. Hud. Bay	1,600	.60	.56	.55	.55
1	.02½	.00½	Kirk. Hunton	5,000	.01	.00¾	.00¾	.00¾
1	.52	.30	Kirkland Lake	22,195	.35	.37	.33½	.36
1	.04	.01½	Kirkland Premier	4,500	.02½	.02½	.02	.02½
1	.52	.12	Kirk. Townsite	66,300	.38½	.44	.38	.43
20c	.02½	.00½	Koot. Florence	12,000	.01½	.01½	.01½	.01½
1	.35	.15	Lakeland	8,200	.27	.28	.25	.25
No	.32	.07	Lake Maron	47,900	.15	.20	.15	.16
1	48.75	30.75	Lake Shore	13,419	46.00	48.75	45.00	48.00
1	.23½	.02½	Lebel Oro	52,600	.20	.22	.19	.20
No	.29	.11	Lee Gold	119,725	.19½	.20	.18½	.18¾
1	.93	.20	Macassa	166,185	.85	.93	.83	.93
1	.07½	.01	Malrobic	77,600	.05½	.06½	.05½	.05½
No	.17	.02	Mandy	2,700	.09	.10	.09	.10
No	.07	.01	Manitoba Basin	12,600	.02½	.02½	.02½	.02½
5	46.00	21.20	McIntyre	29,860	38.80	46.00	37.95	45.25
1	.55	.30	McKinley	100	.55	.51	.51	.51
No	.08	.02½	McLeod River	51,000	.03½	.03½	.02½	.03
1	.35	.03	McMillan	13,600	.30	.30½	.28	.30½
No	1.15	.46	McWatters	23,725	.81	.87	.81	.82
1	1.05	.15	McVittie	58,350	.96	1.00	.90	1.00
5	1.25	.06	Mentor Exp. & Dev.	......	1.05	.....	.....	.....
1	.42	.30	Metropolitan Gold	48,500	.38½	.42	.38	.42
No	2.65	1.20	Mining Corp.	14,622	1.90	2.30	1.96	2.25
1	.05	.01½	Moffatt Hall	42,500	.02½	.02½	.02½	.02½
1	.12½	.02	Moneta	4,000	.08	.10	.08	.09½
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
No	.12½	.08	Moss (new)	52,305	.....	.12½	.08	.08½
1	.03½	.00¾	Murphy	12,000	.01½	.01½	.01½	.01½
No	.06½	.02½	Newbec	8,600	.03½	.03½	.03	.03½
1	.06½	.01½	Night-Hawk Penn.	2,000	.04	.04½	.04½	.04½
5	3.50	1.15	Nipissing	17,334	2.40	2.90	2.40	2.81
No	38.25	19.75	Noranda	20,460	35.50	37.00	34.95	36.75
No	.52	.32½	Nor. Canada	5,150	.42	.40	.36	.36½
No	.44	.19½	Normont-Gold	18,500	.43	.44	.42½	.44
1	.34	.05	Osisko	500	.15	.16	.16	.16
1	.30	.11	Parkhill	21,750	.28½	.30	.27½	.29
1	.03½	.01	Pawnee Kirk	2,000	.01½	.02	.01½	.02
1	.25½	.20	Paymaster	101,803	.23	.25	.22	.23
1	1.80	.50	Pend Oreille	4,160	1.14	1.20	1.07	1.16
1	.04½	.00½	Peterson Cobalt	8,500	.02	.02½	.02½	.02½
1	16.25	4.30	Pioneer Gold B.C.	18,175	12.00	13.50	11.50	13.25
1	.03	.00½	Porcupine Crown	5,500	.02	.02	.01½	.01½
1	.01½	.00½	Potter Doal	8,000	.01	.01½	.01	.01
1	1.60	.55	Premier Gold	5,705	1.26	1.35	1.25	1.30
1	.03½	.00¾	Preston E. Dome	2,000	.01½	.01¾	.01½	.01¾
No	1.75	.68	Prospectors Air's	4,300	.80	.85	.80	.82
No	.15	.03	Quemont	......	.09½	.....	.....	.....
1	.51	.33	Read Authier	6,910	.45	.48	.42	.45
1	2.75	1.17	Reno	73,975	1.25	1.35	1.12	1.33
1	.03½	.00½	Ribago	10,000	.01½	.01½	.01½	.01½
1	.03	.01½	Ritchie	14,500	.01½	.02½	.02	.02
1	.04½	.01	Robb Montbray	6,000	.03	.03½	.02½	.03
1	1.25	.75	San Antonio	21,717	1.24	1.27	1.20	1.24
1	.07	.02	Seven Troughs	......	.07	.....	.....	.....
1	1.90	.33	Sherritt Gordon	30,167	1.30	1.40	1.25	1.39
1	1.78	1.25	Siscoe	53,665	1.46	1.57	1.45	1.55
1	.10½	.02½	South Keora	1,000	.03½	.03½	.03½	.03½
No	.07½	.01½	Stadacona	131,900	.04½	.05	.04½	.04½
1	.60	.07	St. Anthony	16,850	.42	.42	.38	.38
No	2.21	.60	Sudbury Basin	3,305	1.60	1.65	1.52	1.64
1	.15	.00½	Sudbury Contact	5,000	.07½	.08½	.07	.07½
1	.02	.00½	Sudbury Mines	5,000	.01½	.01½	.01½	.01½
No	.25	.16½	Sudbury Nickel	100	.25	.22	.22	.22
1	.38½	.17	Sullivan	11,600	.19	.19	.18	.18
1	1.44	.72	Sylvanite	44,660	1.22	1.29	1.18	1.28
1	.03½	.01½	Tashota	......	.01½	.....	.....	.....
1	7.25	3.70	Teck Hughes	51,573	6.45	6.95	6.30	6.75
1	.20	.03	Thom. Cadillac	7,900	.16	.16	.15	.15½
1	.61	.10	Towagmac	19,200	.51	.54	.50	.51
1	3.00	1.00	Treadwell	3,100	1.50	1.65	1.45	1.65
1	.17	.04	United Kirkland	13,600	.14	.14	.13½	.13½
No	.06½	.01½	Vacuum Gas	27,000	.02	.02½	.02	.02½
No	2.40	.30	Venezuela	......	1.06	.....	.....	.....
No	1.50	.80	Ventures	30,430	1.07	1.10	1.05	1.08
1	.22	.02	Vickers	2,000	.02½	.02	.02	.02
1	.75	.20	Vipond	8,550	.52½	.55½	.52½	.55½
No	2.55	.35	Waite Ackerman	1,950	2.10	1.95	1.65	1.65
50c	.75	.33	Wayside	133,670	.52½	.54½	.48	.53½
No	.29	.24½	White Eagle	48,200	.26	.29	.26½	.28
1	.08	.02½	White Lake	500	.04½	.05	.05	.05
1	.28	.02	Wiltsey Coughlan	20,600	.17½	.17½	.15½	.16½
1	.27	.07	Wood Kirkland	8,500	.07	.09	.07	.07
No	8.50	3.73	Wright-Hargreaves	72,775	7.50	8.50	7.30	8.50
			OIL STOCKS					
No	.32	.07½	Acme Gas & Oil	36,800	.22	.23	.22	.22
1	.04½	.04½	Admiral	......	.04½	.....	.....	.....
No	.01	.01	Advance Oils	116	.....	.01	.01	.01
1	1.60	.55	Ajax	11,600	1.38	1.38	1.31	1.37
1	.68	.05	Alta. Pacific	5,840	.28	.28	.25	.26½
1	.20	.05	Amalgamated	7,000	.18	.17	.15	.15
No	1.10	.04½	Associated	9,325	.35	.38	.33	.38
No	.26	.01	Baltac	4,500	.09	.10	.09	.10
No	2.50	.25	Calgary & Ed.	800	1.42	1.53	1.45	1.51
1	.45	.03	Calmont	4,200	.15	.17	.15	.15
1	.25	.03½	Common Pete	2,100	.12½	.12	.10	.10
No	2.50	.11	Dalhousie	10,800	.70	.74	.65	.65
No	.19	.02	Devenish	2,100	.15	.15	.14	.14
No	.55	.05½	East Crest	91,505	.38	.43	.34½	.40
No	.36	.22½	Erie Gas	500	.29½	.22½	.22½	.22½
No	.02	.00½	Fabyan Pete	7,000	.00½	.01½	.00½	.01
No	1.75	.06	Foothills	2,875	.56	.55	.45	.45
No	.28	.06	Freehold	3,400	.14	.13	.12½	.13
No	.12	.01½	Hargal	1,300	.12	.11	.10½	.11
No	4.05	.30	Home	13,480	2.08	2.28	2.10	2.25
No	.05	.02½	Homestead	......	.02½	.....	.....	.....
1	.25	.10	Homestead O. & G.	91,158	.16½	.21½	.16	.20
No	.47	.10	Lowery	......	.35	.....	.....	.....
No	.05½	.02	Madison	32,000	.03½	.05½	.03½	.05½
No	.20	.05½	Marion Oil	1,350	.15	.14½	.12	.13½
1	1.85	.14	Mayland	680	1.31	1.37	1.35	1.37
No	.10	.03½	McD. Segur Ex.	7,000	.06½	.07½	.07	.07½
.	.08½	.05½	McD. Segur N.	500	.07½	.08	.08	.08
1	1.10	.25	McLeod	1,477	.45	.40	.35	.40
No	.30	.07½	Mercury	8,700	.17	.18½	.17	.17
No	.45	.11	Merland	13,100	.35	.35	.32	.33
.	.01½	.01	Mid West	......	.01½	.....	.....	.....
No	.35	.09	Mill City Pete	......	.15	.....	.....	.....
1	.50	.12	Model	1,200	.29	.29	.27	.29
5	.30	.09	Nordon	14,800	.14	.16	.14	.15
No	.12½	.02½	Oil Selections	141,600	.09½	.09½	.09	.09½
No	.20	.04½	Okalta	1,000	.09	.08½	.08½	.08½
No	.61	.20	Olga Gas & Oil	1,700	.38	.39	.37	.37
1	.25	.13	Petrol Oil & Gas	3,000	.15	.24	.20½	.22
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	23.00	5.75	Royalite	794	16.00	17.50	16.00	17.00
1	.25	.05	Sarnia Oil	7,600	.13	.14	.13	.13½
No	.45	.04	South West Pete	......	.24	.....	.....	.....
1	.39	.06	Spooner	800	.22	.26	.25	.25
No	.75	.12	Sterling Pacific	2,200	.47½	.47	.42½	.44
.	.43½	.43	Trinidad Oil	......	.43½	.....	.....	.....
No	.25	.03	United	3,500	.11	.11	.10	.10
No	.25	.06	Vanalta	100	.13	.12	.12	.12
No	.08	.00½	Wainwell	4,800	.03½	.03½	.03	.03

VANCOUVER STOCK EXCHANGE
(Transaction for Week to September 12.)

Par Val.	Range 1933 High	Low	Company	Sales	Close Sept. 6 (or last)	High for week	Low for week	Close Sept. 12
25c	.03	.00½	Bayview	......	.02	.....	.....	.....
20c	.10½	.02½	Beaver Silver	15,000	.08	.09½	.07½	.09
25c	.17	.03½	Big Slide	12,250	.06	.06	.04	.04½
25c	.06½	.02	Bluebird	......	.02½	.....	.....	.....
No	11.75	1.38	Bralorne	8,935	10.25	11.75	10.10	11.50
1	.57	.05	Bridge River Cons.	11,300	.37	.38	.34	.35
50c	.71	.35	Bridge River Exp.	39,800	.50	.48	.43	.46
100	89.00	88.50	B. C. Electric, pfd	......	88.50	.....	.....	.....
1	1.50	.60	B. C. Silver	100	1.15	1.00	1.00	1.00
No	.82	.52	Burns Mountain	......	.55	.....	.....	.....
1	4.25	1.50	Cariboo Gold	12,980	4.20	4.24	4.00	4.02
No	12.90	5.60	Coast Breweries	788	10.95	11.00	10.75	11.00
25c	.02½	.00½	Cork Province	......	.01	.....	.....	.....
1	.05	.02½	Cotton Belt	......	.05	.....	.....	.....
1	.08	.00½	Dalhousie Mines	1,000	.03½	.03	.03	.03
1	.21½	.02	Dunwell	3,700	.13	.14	.12	.12
1	1.00	.28	George Copper	1,950	.35	.40	.36	.36
50c	.12	.04	Geo. Enterprise	......	.04	.....	.....	.....
1	.09½	.02	Georgia River	23,100	.05	.05	.04	.04
1	.60	.16	Golconda	100	.30	.30	.30	.30
50c	1.25	.60	Gold Belt	500	.65	.55	.55	.55
1	1.50	.95	Golden Belle	......	1.50	.....	.....	.....
50c	.11	.03½	Grandview	2,200	.04½	.04½	.04	.04½
1	.01½	.00½	Independence	1,000	.01	.00½	.00½	.00½
1	.03½	.02	Indian Mines	......	.02½	.....	.....	.....
1	.17	.08½	Inter. Coal	1,000	.13	.14	.13	.14
1	.36	.36	Jack Waite	......	.36	.....	.....	.....
50c	.57	.30	Kootenay Belle	300	.30	.30	.30	.30
25c	.04	.00½	Kootenay King	......	.01½	.....	.....	.....
25c	.01	.00½	L. & L.	......	.00½	.....	.....	.....
1	.01	.00½	Lakeview	5,000	.00½	.00½	.00½	.00½
10c	.06½	.01	Lucky Jim	1,050	.05	.06	.04	.06
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
10c	1.05	.20	Meridian Mines	51,670	.50	.48	.44	.45
5c	.13	.04½	Metaline Metals	......	.05½	.....	.....	.....
.	.01	.00½	Mohawk	......	.00½	.....	.....	.....
.	.17	.12	Mogul	1,000	.13	.13	.13	.13
50c	.41	.18	Morning Star	19,800	.25	.26½	.25	.26½
1	.06	.00½	Morton Woolsey	6,438	.02½	.02½	.02	.02
1	.29	.05½	Native Sons	11,300	.10½	.10½	.10	.10
50c	.10½	.00½	National Silver	8,300	.06½	.06½	.05½	.06½
50c	.96	.74	Nicola	18,900	.95	.94	.80	.92
50c	.21½	.02½	Noble Five	12,850	.11½	.13	.11	.13
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.35	.20	Pavilion	......	.20	.....	.....	.....
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	3,090	12.75	12.50	11.75	11.85
1	.11	.10	Planet	......	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	9,340	.09½	.11	.09½	.11
No	.04	.00½	Premier Border	17,000	.02	.02½	.02½	.02½
1	.10	.02	Quatsino Copper	......	.04	.....	.....	.....
No	.42	.10	Reeves McDonald	400	.20	.20	.20	.20
1	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	20,150	1.37	1.33	1.22	1.26
1	.22	.04	Reward Mining	10,900	.12	.12	.11	.12
1	.10	.01	Rufus Argenta	2,800	.05	.05	.04	.04
1	.07	.02	Ruth Hope	......	.02½	.....	.....	.....
1	.65	.40	Sally Mines	800	.45	.45	.45	.45
1	.15	.03½	Silverado	3,000	.07½	.07½	.07	.07½
25c	.09	.01	Silver Crest	4,000	.03½	.04	.03½	.04
20c	.03½	.01½	Silversmith	1,200	.03½	.01½	.01½	.01½
50c	.04½	.01	Snowflake	16,500	.01½	.02	.01½	.02
25c	.06	.06	Sonora	......	.06	.....	.....	.....
1	.61	.40	Standard Gold	......	.40	.....	.....	.....
1	.50	.20	Sunloch	100	.20	.26	.26	.26
5	.40	.20	Torie	......	.40	.....	.....	.....
50c	.03½	.02	Topley Richfield	......	.02	.....	.....	.....
50c	.70	.08	Wayside	58,050	.55	.55	.50	.54
25c	.12	.01½	Waverly Tangier	126,300	.04	.04½	.03½	.03½
20c	.05	.01½	Wellington	1,000	.02	.02½	.02½	.02½
No	.36	.25	White Eagle	5,700	.27	.27	.25	.27
1	.18	.03	Whitewater	1,100	.08	.09	.08	.09
1	.48	.40	Yankee Belle	......	.42	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c	5.83	Merland Oils‡	5c.	.....
Coniagas‡	12½c.	.....	Noranda‡	50c.	.....
Coniaurum†	3c.	.....	Petrol Oil	°2c.	.....
Cons. Smelters*	10%	.....	Premier	12c.	9.23
Dome Mines	$1+55c.	4.02	Pioneer, B.C.	60c.	4.52
Falconbridge	20c.	.....	Royalite	50c.	
Goldfield Cons.‡	5c.	.....	Siscoe	12c.	7.74
Hollinger	65c.+10c.	7.00	Sterling Pacific Oil‡	3c.	.....
Howe Sound	40c.	.....	Sylvanite	4+3½c.	.....
Lake Shore	$2+$1	6.25	Teck-Hughes	60c.	8.88
McIntyre	$1+75c.	3.86	Wright-Har.	20c.+10c.	3.52
McLeod Oils‡	5c.	.....			

*Stock. ‡Interim. †Initial. °Paid in 1932.

Unlisted Mining Stocks

September 19, 1933

	Bid	Ask		Bid	Ask
Abana	.03	..	Lake Malartic	1.25	1.30
Adanac G. Un.	.70	100.00	Little Long Lac	.53	.55
Alschbach Gold	.03	.06	McCarthy Webb	.03	.05
Athadome	.06	.09	McChesney Moss Un.	20.00	35.00
Arntfield Gold	.55	.80	MacKenzie Red Lake	.46	.48
Arntfield Synd.	.40	.55	Man. & Eastern	.03	.04
Astoria Rouyn	.03	.05	Maple Leaf M.	.24	.28
Bathurst	.03	.05	Matachewan Can.	.06	.08
Beattie	1.40	1.50	Mecca Gold	.20	.23
Bidgood	.01½	.02½	Metals Develop.	.04¾	.05¼
Brubaker Units	..	300.00	Minaker Kirk.	.32	.40
Buff. Ankerite	.75	100.00	Mindoka	.02	.04
Bussieres Min.	.20	.30	Minefinders	1.60	..
Can. Pandora	.25	.30	Minrand Gold	.28	.33
Can. Radium	.12	.14	Montreal-Alb. Petroleum	.38	..
Canusa Gold	.01½	.03	N.A.M.E. Units	4.50	6.50
Cochenour-Wil. Units	15.00	20.00	Normetal Min.	.50	.75
Continental Gas	.14	.16	Northl'd Pros.	500.00	750.00
Continental Kirk.	.04	.06	N'W Que. Pros.	15.00	22.00
Crown Reserve	02	.03	Old Colony	.00½	.01½
Delta	65.00	80.00	Opemiska Copper	.06	..
Dentonia Mines	.20	.25	Oro Grande Dev.	.50	.75
Dorval Siscoe Units	12.00	19.00	Pandora	..	.30
Dunkin	.01	.02	Peninsular Pet.	.01¼	.01¾
Dunlop Cons.	.07½	.08½	Peerless G. Un.	8.00	11.00
Eagle Oil	1.25	1.35	Pontiac Rouyn	.38	.42
East Rouyn	.16	.20	Quebec Pros.	.80	..
Echo Bay Explor.	..	.20	Queen Lebel	.03	.04
Elbow Lake-Shore Un.	..	50.00	Rubec Mines	.01½	.03½
Fairmac Un.	..	10.00	Silveradium Un.	.75.00	..
Fiske Gold	.01	.02	Smelter Gold	.21½	.22½
Flintoba	.00¾	.01¼	Sourdough Un.	5.00	..
Galatea Units	30.00	50.00	South Tiblemont Units	40.00	42.00
Glenora Gold	.20	.25	Sun Bear	.33	.37
God's Lake	.75	.77	Sunorca Explor.	1.10	1.25
Gr. Bear Lake	.42	.47	Swayze Contact	.15	.18
Greene Stabell	.49	.52	Tiblemont Island	.11½	.13
Hayden Gold	..	.06	Tom Montgomery Un.	125.00	175.00
Holytrex	.01	.02½	Tyrrell Tp. McN.	..	50.00
Horseshoe	.15½	.16½	West McWatters Units	..	15.00
Island Lake	.25	.30	Young Davidson	.16½	.18
Kenty Gold	1.40	1.48			
Kirk. Divide	.23	.25			
Kirk. Gold	..	.25			
Lake Geneva	.20	.25			

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

Winnipeg Stock Exchange

(Transactions for week to September 14)

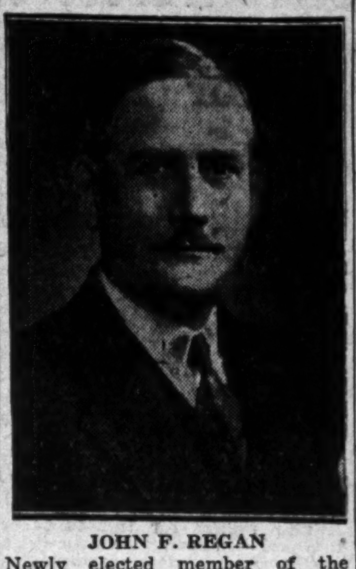
Div. Rate in $	Yield in %		Sales	High for week	Low for week	Close Sept. 14
..	..	Beaver Lumber, c.	25	4¼	4¼	4¼
..	..	Bobjo	2000	.26	.23	.26
80c	5.5	Brit. Amer. Oil	5	14½	14½	14½
..	..	Central Manitoba	3725	.12	.09	.12
..	..	Central Patricia	600	.54	.54	.54
..	..	God's Lake	10400	.60	.58	.60½
..	..	Island Lake	750	.19	.16	.16
..	..	San Antonio	468	1.25	1.15	1.25
..	..	Oil Selections	500	.09½	.09½	.09½
..	..	Western Breweries	20	1	1	1
7	8	Western Grocers pfd.	5	87	87	87

Stocks Not Traded in During Week*

	Bid	Ask		Bid	Ask
Beaver Lumb. pref.	64	67	Pellassiers, pref.	15	..
Beaver Fire	..	100	Reliance Grain pfd.	..	55
City Dairy 8% pf.	..	40	Sovereign Life	20½	..
Cres. Creamery, pf.	..	35	Traders Bldg.	60	70
Great-West Life	300	..	Can. Amer. Tr. shs.	..	3½
Monarch Life 10% pd.	16	..	Fundamental Ser. A	..	5
Northern Trust	15	..	Fundamental Ser. B	..	4½
			Group. Income Shs.	..	4.90

*Stocks more active on other exchanges not included.

New Standard Member



JOHN F. REGAN

Newly elected member of the Standard Stock and Mining Exchange and partner of A. E. Osler & Co. of 25 years standing. Gordon Taylor, senior partner of the firm, is a member of the Toronto Stock Exchange, although a chartered member of the Standard before the days when dual membership, recently lifted, was barred.

U. S. Mining Men Will Fraternize At Trail Plant

The friendly reciprocity in service, information, and the social amenities between the American and Canadian mining fraternities is legion and this year the president of the American Institute is Dr. Frederick M. Becket, Montreal, graduate of McGill University.

Dr. Becket's presidential journey this fall through the mining and metallurgical centres of the United States will bring him to the West coast and S. G. Blaylock, vice-president and general manager of the Consolidated Mining & Smelting Co. has proffered the hospitality of the camp to all members of both institutes.

On September 20 a large party of guests will assemble at Trail. They will be conducted through all departments of the plant, and in the evening will attend an informal dinner at which Mr. Blaylock will preside.

Canadians are justly proud of the great establishment at Trail and of the long record of advances in metallurgy there achieved. They will be gratified to learn that the camp is to be the scene of this friendly international gathering of international miners and metallurgists.

After the Trail meeting Canadian members have been invited to accompany their U. S. colleagues on an excursion into the Coeur d'Alene district in Idaho.

A. D. Miles President Central Manitoba Mines

At a meeting of directors of Central Manitoba Mines, held in Winnipeg, Sept. 13, A. D. Miles, formerly a director of the company, was elected its president to succeed Howard Clark Davis, who retains his chairmanship of the board.

Mr. Miles was formerly president of the International Nickel Co. and more recently has acted in the capacity of Canadian representative of English financial interests, including John Taylor & Sons, large stockholders in Central Manitoba Mines.

After the meeting Mr. Davis reported that the differences, respecting the diversion of the company's funds, had been ironed out with the return to its treasury of $30,000 invested in one of Mr. Davis' companies and that the directors were now working in harmony.

Howe Sound Co. Dividend Stepped Up to 15 Cents

Signs of changing times for base metal producers were evidenced as the Howe Sound Co. increased its quarterly dividend, payable October 15, from 10 cents to 25 cents per share. The disbursement will be made to shareholders of record September 30.

This brings the total disbursement for the company in 1933 to 55 cents per share.

Oro Grande Mill Goes Up While Shaft Goes Down

Oro Grande Gold Mines turned over its new 75-ton mill for the first time on September 14, according to a dispatch from R. H. Little, president of the company. At the company's property, in the Central Manitoba area, mill construction has proceeded simultaneously with the sinking of a shaft, which is now at the 200-ft. level.

Dome Quarterly Dividend 25 Cents Plus 25 Cents Bonus

Dome Mine directors meeting in New York, on September 19, declared the regular dividend of 25 cents per share plus a bonus of 25 cents per share both payable in United States funds on October 20, 1933, to shareholders of record September 30. This brings the total declarations for 1933 to $1.80 per share.

Garry Director Has Manitoba Claims

According to a Winnipeg dispatch, M. Rothenburghar, a New York financier and a director of Garry Gold Mines, has been looking over claims in the Rice Lake district of Manitoba. Acting on behalf of Consolidated Gold Fields, Manitoba, Ltd. the Montcalm-Tin group of claims has been acquired and an exploration programme started designed to work out the regional trend of the mineralization of this in adjacent properties.

Another B. C. Gold Strike

A new gold strike is reported from the Parry Creek region, west of Cranbrook, B.C. A Calgary group is financing the undertaking. At Sawmill Creek, a tributary to Parry Creek, a veritable placer rush is on, while nearby lode claims are being staked as the source of the placer deposits.

Metal Prices

New York—September 19—
Copper: Electrolytic spot, 9c. lb.
Silver: 39⅝c.
London—September 19—
(Long Ton)—
Copper: Electrolytic spot, £38; future, £38 10s.
Standard spot, £34 15s; future, £35.
Tin: Spot, £216 10s; future, £216 10s.
Lead: Spot, £11 15s; future, £12 2s 6d.
Zinc: Spot, £16 15s; future, £17.
Silver: 18½d. per ounce.
Gold: 131s 9d
Canada—September 19—
Gold: $32.08.

ATLANTIC UTILITIES SEEK NEW STANDING

Petition Utility Board to be Placed Outside Scope Nova Scotia Act

From Our Own Correspondent

MONTREAL. — Atlantic Utilities Ltd. seeks to be excluded from the scope of the Nova Scotia Utilities Act and to that end have made application to the Nova Scotia Board of Public Utilities.

In its application, the company says that it proposes to issue 10,000 shares without nominal or par value. It was stated that this was merely a holding company and does not now own, operate, manage or control, nor contemplate doing so, any tramway or plant for production, transmission or delivery of heat, light, water or power, either directly or indirectly to the public of Nova Scotia.

Holding Company Only

The petition further sets forth that as a holding company, Atlantic Utilities owns all shares (except directors' qualifying shares) of the Island Telephone Co., which carries on a general telephone business in Prince Edward Island. It also owns all shares, excepting directors' qualifying shares, of the capital stock of the Eastern Electric Co., which company does not come within the scope of the Public Utilities Act.

Brown Corp. Plans Large Timber Cut

From Our Own Correspondent

MONTREAL.—Brown Corp., of La Tuque, P.Q., are making arrangements to send a much larger force into the woods this winter in order to handle the cut which may reach between 50,000,000 and 60,000,000 feet of lumber. This is approximately twice the size of last year's output.

The pulp mill at La Tuque is now working full time and one day recently produced a tonnage of 375 tons, the largest ever manufactured in any single day.

The woods supply at the mill is practically exhausted so that early winter operations are forecast in order to assure an early spring delivery at the mill.

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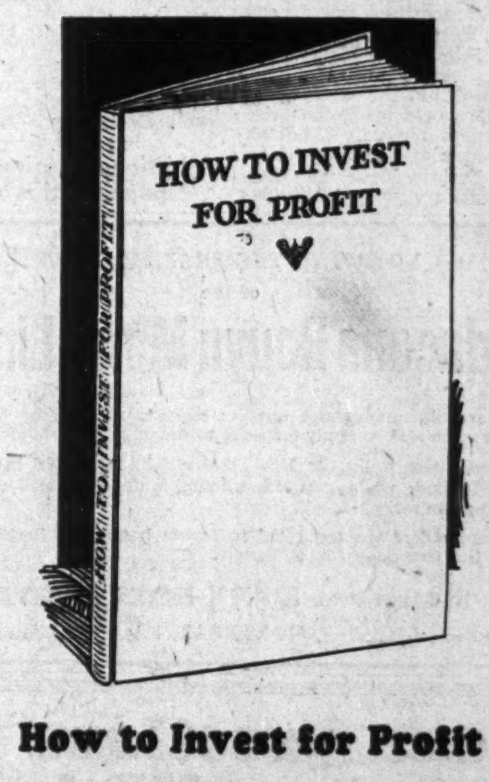

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The Week in Mining

New Smelters Officials

THE elevation of E. W. Beatty, K.C., president of the Canadian Pacific Railway to the vice-presidency of the Consolidated Mining & Smelting Co. of Canada and the election as director of R. S. McLaughlin, the Oshawa motor magnate, calls attention to the relatively sparse representation of the Canadian Pacific on the directorate of its big mining subsidiary.

The new appointments are due to the death of W. L. Matthews, former vice-president of the company. Although the Canadian Pacific Railway owns stock control of Consolidated Smelters it has had but four Canadian Pacific Railway directors on the Smelters board of 14. The addition of Mr. McLaughlin, also a Canadian Pacific Railway director, brings the list to five but a significant factor is that although it owns control it does not seek to dominate the board of directors.

Another interesting fact about the Smelters directorate is that two officials, S. G. Blaylock and Lorne A. Campbell, are directors.

* * *

"Sell 'em Ben's" Hurja

PEACEFULLY penetrating one of the most non-political citadels in Washington, Time (New York) relates, Postmaster General Farley slipped Emil Edward Hurja into a comfortable berth in the Public Works Administration. So smoothly and tactfully was he ushered in that Public Works Administrator, also Secretary of the Interior, Ickes, thought he had taken Mr. Hurja in on his own initiative.

Less than a year ago Mr. Hurja visited Ontario, not in the capacity of an office seeker, but as the publicity agent of "Sell 'em Ben Smith." Hurja's Ontario visit carried him to the Northern mining districts, to get "atmosphere" for articles aiding "Sell 'em Ben's" mining activities. At least two bulletins on Canadian mining enterprises, Pioneer Gold Mines of B.C. and McIntyre Porcupine Mines, are from the pen of what "Time" calls Farley's Hurja.

Catapulted from a publicity agent for "Sell 'em Ben" into a cubby hole in the Public Works Department suggests that "Sell 'em Ben's" influence extends beyond market operations. It will be recalled that this spring Smith was called to Washington to explain his market activities before the Senate Committee, and was placed in the position of having to answer some rather embarrassing questions as to how he operated in the market.

* * *

A. A. Amos Migrates

A. A. AMOS, pioneer broker of the famous Cobalt silver camp, has joined the migration to Toronto, where he finds many former associates. He went to Cobalt 21 years ago with the formation of the brokerage firm of Kiely, Smith and Amos and has been closely identified with the mining activities not only in Cobalt but all Northern Ontario since that time. In 1930 he formed the firm of A. A. Amos and Partners which was later taken over by F. O'Hearn & Co., members of the Standard Stock and Mining Exchange, with headquarters in Toronto. Since 1930 he has managed the Northern operations of this brokerage company and now comes to Toronto in an executive capacity with that firm.

* * *

Buying the Golds

THE wave of buying in the gold stocks has sent all the leading dividend payers to new higher levels, coincident with gold, in the London market, advancing to the unprecedented price of $32.38 per ounce, in terms of the Canadian dollar.

The steady advance in the price of gold has, as might be expected, had a corresponding effect on the leading gold securities, and the end is not yet in sight. Many economists and observers in London think gold may advance to 140 shillings an ounce, which at the current rate of exchange would bring the price of gold to approximately $34.50 an ounce in terms of Canadian funds.

Other quarters have an even more optimistic view as to the future of gold and prophesy $40 per ounce in Canadian funds.

Naturally such deductions are purely conjectural and might be upset, at least temporarily, if France abandons the gold standard.

If such is the case many fear that a reaction in the gold stocks might be expected but their future trend may be expected to parallel closely the trend of bar gold prices in London.

Recent buying has been credited to New York and there seems but little doubt that there is a disposition on the part of New York investors to buy into leading gold securities. Some observers of the market estimate that as much as 75 per cent of leading Canadian gold securities have now passed to the United States.

Canadian Mining News

C. & E. CORP. HAD PROFITABLE YEAR, CASH IS STRONG

Realization Acc't Shows Profit of $67,602 or 4 Cents Per Share

Fourth annual report of Calgary & Edmonton Corp. for the fiscal year ended June 30, 1933, reflects the reduction in crude naphtha prices and the imposition of conservation restrictions, which reduced its income from royalty and sale of property to $97,124 as compared with $106,142 in the previous fiscal year. Net profit amounted to $67,602 equivalent to 3 cents a share, as compared with $72,834 or 4 cents a share in the previous fiscal year. Operating expenses were reduced to $29,522 as compared with $33,308 in the previous year.

In addition to the above earnings shown in its realization account, which covers mining rights, disposition of property and royalty, the company had a net profit of $25,022 from its investments and sundry items.

Completes Land Transfer

The transfer has been completed of some 1,138,770 acres of Alberta mineral rights from the predecessor company, the Calgary & Edmonton Land Co. Ltd., to the present company, incorporated in 1929. Deviating from the previous policy of leasing its holdings, the company has entered into an agreement with the Imperial Oil Ltd. whereby the latter company will drill on the north one-half of section 27-18-2w5, directly south of the Merland well. In this effort Calgary & Edmonton Corp. will provide approximately $55,000 and will receive, in the event of production being reached, 56¼ per cent of the output, while Imperial Oil will receive 43¾ per cent. Both companies share operating costs equally.

Liquid Position Improves

During the fiscal year the production from the wells on which the company obtains a royalty, amounted to 237,382 barrels, giving a net royalty before adjustments of $95,339.

The liquid position of the company showed improvement reflecting this year's earnings. Current assets increased to $416,603 as compared with $331,124 the previous year, leaving the company a net working capital of $416,103 as compared with $330,624 in the previous year.

The company's principal liquid assets constitute Dominion of Canada and Ontario bonds.

There has been no change in the capitalization of the company, which stands at 3,205,000 authorized shares of no par value, of which 2,415,100 shares are issued.

Engineer Gold Mine Sounds Last Post

The curtain has been rung down on the affairs of Engineer Gold Mines, incorporated with a Delaware charter in 1932 and promoted by C. G. Bob, according to an advertisement that it is to be offered for sale by the sheriff on October 17 at Prince Rupert.

When the affairs of Charles G. Bob, the New York promoter, blew up in 1930, operations at the Engineer property were suspended.

Additional mining news on page 15 this week

Taylor (Bridge River) Mines Has Interesting Development

Exploratory Crosscut Being Driven From Adjoining Bralorne Mine to Probe Northerly Dip of Veins

A development in the Bridge River area of British Columbia that is commanding considerable attention is the exploratory crosscut being driven from the eighth or 1,000-ft. level of the Bralorne mine, northward into the adjoining Taylor (Bridge River) Mines.

The veins on the Bralorne property strike principally in an east-west direction and dip northward. Having regard for this fact the Bralorne company evidenced a neighborly spirit by undertaking to drive an exploratory crosscut some 500 feet into the Taylor claims. Work is under way and it is expected that before the end of 1933 a picture will evolve that will have a considerable bearing on the operations of the two companies. It is understood that the agreement made with Bralorne enables Taylor to probe its property at about one-third the cost of undertaking and carrying through the job itself.

Is Financed

Taylor (Bridge River) Mines was incorporated in June this year with a capitalization of 3,000,000 shares of par value to finance the development of the property which was staked by J. M. Taylor. Of this capitalization 1,200,000 shares were issued for properties. Of these shares 100,000 carry rights to subscribe for additional shares at $1 each in the ratio of one new share for each ten shares held. Of the treasury shares remaining 1,100,000 shares were underwritten by Colquhoun, de Wolf & Co., Vancouver brokers, to net the treasury approximately $450,000. Interests closely associated with the Bralorne Mines are known to own a substantial block of the stock. The Montreal district is said to have taken a large block of the shares. Arrangements are now nearing completion for listing the shares on the Montreal Curb Market.

The company is headed by E. L. Boultbee, of Vancouver, as president. Other directors include Sir Kenneth Crossley, of London, England; R. H. Tupper, T. W. B. London, F. H. Clendenning and J. M. Taylor, of Vancouver.

Nicola Mines In Production By November

From Our Own Correspondent

VANCOUVER — The reconditioned mill of the Planet and Donohue properties in the Nicola country which are now sponsored by New York interests under the name of Nicola Mines & Metals, Ltd., will porbably be brought into production during November.

The capacity of the mill will be stepped up from 100 to 300 tons daily, although this figure will not be attained at once. Meanwhile ore is being blocked out on the Enterprise, Tubal Cain and Joshua veins by a crosscut from a 320-foot level of the Enterprise to form a main haulage tunnel to the mill.

Management of the property is now in the hands of a committee of three comprising M. E. Erdofy, metallurgical engineer of the New York investment house of Bartley & Company, which formed the new company; C. A. Moon, vice-president, and George A. Shaw, consulting engineer.

Nicola Mines & Metals Ltd. is capitalized at 5,000,000 shares, 50 cents par, of which 2,000,000 were issued for properties and are held in escrow. One million shares will be left in the treasury after present financing.

PROBE GAS FIELD SOUTH OF REGINA

A. W. Dingman Making Test With Regina Market in Mind

From Our Own Correspondent

REGINA.—A. W. Dingman, of Highwood Sarcee Co., Turner Valley, is backing the project through a subsidiary, the Pine Hills Petroleum Company to test a gas field in the Dirt Hills district of Saskatchewan, 50 miles southwest of Regina.

Within the next ten days drillers expect to penetrate the first horizon at approximately 1,700 feet. Mr. Dingman is understood to have spent somewhere in the region of $60,000 to date on this venture.

Every now and again the matter of a gas supply for Regina, Moose Jaw and Saskatoon crops up and it is expected that if Mr. Dingman strikes gas, the question will be reopened but on more favorable terms. Previously the offers were for supplying Montana and Alberta gas and on two occasions Regina voters turned down the plans put before them.

Geologists maintain the Dirt Hills structure is purely a local field and not part of any continental structure. There is the possibility of oil being struck but it is regarded only as a possibilty.

Another drilling operation has commenced west of Maple Creek, south of Cummings, in part of the Cypress Hills region. To the southwest in the Manyberries field, 40 miles from Maple Creek, the Imperial Oil through a subsidiary, the North West Company, is seeking crude oil.

A third venture has begun in Hudson Bay Junction district, in northeast Saskatchewan. The objective here is oil.

Cobalt Contact Mines Resumes Operations

A crew has been sent to the Cobalt Contact silver property at North Cobalt, Ontario, to prepare it for reopening just as soon as silver prices show a little greater stability.

Resumption of operations at this property was foreshadowed a couple of months ago when the capitalization of the company was increased from $3,000,000 to $4,000,000 and 1,000,000 shares optioned to New York interests which have been providing funds.

Before the new financial arrangements were made the company's liabilities were something over $40,000. This has all been liquidated with the exception of about $4,000. In addition, the company is said to have approximately $8,000 invested in Government bonds and $5,000 in cash. It is expected that with $20,000 in its treasury operations can be resumed at the property.

Cariboo Mountain Mine Strikes Seven-Foot Vein

From Our B. C. Mining Correspondent

VICTORIA, B.C.—Five new veins have been located on Cariboo Mountain, according to the latest reports brought to the city by Alex. Mackenzie, managing director of the Cariboo Mountain Gold Mines Ltd. One of these veins measuring seven feet, was cut within a few feet of the portal of the main development tunnel.

The new veins are said to run from five to nine feet in width and have the same characteristic features as the surface reef.

In addition to pushing forward work on the tunnel, the camp is being prepared for the winter so that work may be carried out during the entire year. As soon as the buildings now under construction, are completed, three shifts are to be put to work underground.

Nickel Sales Kept At Higher Level

Nickel sales are being maintained at the high levels reached in July or some 4,000,000 lbs. per month, The Financial Post is officially informed.

At the Creighton property, mining operations are being maintained at between 45,000 and 50,000 tons of ore per month. It is from this ore that the natural alloy of "monel metal" is made and currently three furnaces out of the four at the Coniston smelter are in operation to keep up with sales.

At the Huntington rolling mill in West Virginia operations have been speeded up to keep pace with demand and currently about 1,000,000 ounces of rolled stock are being shipped per month from this plant.

FOLEY PILOT MILL SHOWING PROFIT

Syndicate Making Bulk Test Preparatory to Reorganizing Company

The Foley property, six miles south of Mine Centre in the Rainy River district, Ontario, one of the early Ontario gold producers, is again in production with a pilot mill operating on a profitable basis.

Early this year the Foley Syndicate leased the property and set up a 10 to 15 ton pilot mill from equipment on the property. Some 10 or 15 men are at work and initial results have been most encouraging.

The operation is really being conducted to check values and upon results will rest the re-entry of the English bondholders into a reorganization of the capital structure preparatory to bringing the property into production on a larger scale of operations. For some time a 150 ton mill has been lying at the property awaiting erection. It is estimated that approximately $67,000 is needed to bring the property into production.

The company is headed by J. M. Aicken as president, while the funded indebtedness of the company amounting to some $203,100 in 7 per cent bonds is mostly held in Great Britain.

Bousquet Gold Mine Being Rehabilitated

Another gold prospect in the Sudbury area is to receive attention with the announcement that the old Bousquet Gold Mines property on Howey Creek, seven miles east of Willisville, has been optioned by Lionel Brooke of Sudbury.

The company was incorporated in 1920 to develop the claims staked in 1910 by the Tough Brothers and J. A. Bousquet.

The authorized capitalization of the company is $2,000,000 of which $1,238,585 in $1 par value shares is outstanding. Early work included sinking a shaft to 107 ft. where approximately 300 ft of lateral work was conducted on the 100-ft. level. The grade of ore reported was $4.50 per ton over an average width of 1½ ft. The vein encountered in the shaft averaged $8.75 per ton over a 2½-ft. width. On the surface a vein averaging a little over 2 ft. in width over a length of 382 ft., gave $9.46 per ton.

It is understood that a public offering of 200,000 shares is to be made at 25 cents per share to finance the operations.

Recommends 50-Ton Mill For Jackson Manion

Shareholders of J. M. Consolidated Mines Ltd. are advised of a proposal submitted in a report prepared by David M. Thomson, the company's consulting engineer, to bring the property into production. The recommendation includes concentrating work on the known blocks of ore indicated in previous developments to be followed by the erection of a 50-ton mill.

Between the surface and the 215-ft. level the main ore shoot now developed is estimated to contain 30,600 tons. The average over all value is $9.73 per ton, making a total value of about $269,376. The company has made arrangements to provide the necessary financing to carry out the programme outlined by its engineer.

The present company was incorporated in February, 1932, as a consolidation of the holdings of the former Jackson Manion Mines Ltd. and Mint Ore Mines. Shareholders in each of these older companies were issued one share of new stock for each five shares held in the predecessor companies.

Gen. McRae Buys Alaska Mine

According to a Vancouver dispatch, General A. D. McRae, Canada's mine-minded senator, has optioned the Cliff Mine which a number of years ago produced $1,000,000 in gold. Litigation for a number of years has held up activity at the property.

General McRae is also reported to have optioned the Ester Dome property near Fairbanks, Alaska, and the Quigley group in the Kantishna district.

Gold Search Helping Broad Industrial List

Free Market For Gold and Sympathetic Taxation Stimulates Search and Development of New Mines to Industry's Profit

The developments in the last two years have enormously enhanced the value of British Empire assets and have greatly strengthened the financial positions of Australia, South Africa, West Africa and Canada, comments The Daily Express of London.

London, according to The Daily Express, is the greatest market for gold shares in the world and buying orders have poured in from speculators in all quarters of the globe. As an indication of how values have advanced it is shown that the whole of the gold properties in West Africa three years ago were valued in the market at barely £2,000,000 while today the Ashanti Goldfields Corp., alone has a market value of over £6,200,000.

Many Supplies Required

The new high levels for gold have brought into production throughout the world mines thought to have been worked out and properties that were definitely on the unpayable basis with gold at the standard value have been put in a position to earn good profits.

The panacea—$30 gold—has in Canada stimulated prospecting on a scale that is unprecedented. While this prospecting does not immediately benefit the gold industry, it does immediately reflect in a widely diversified industrial realm. Airplane transportation companies are experiencing a brisk trade, transporting prospectors to fields near and far. How even a small prospecting party distributes wealth to be shared by many industries is told by the following list, the requirement of a small prospecting party.

Goods Purchased

Canoes, paddles, compasses, rifles, ammunition, magnifying glasses, field glasses, fishing tackle, mortars and pestles, axes, shovels, tents, mosquito bars, blankets, ground sheets, camp stoves, cooking and eating utensils, gold pans, whetstones, files, hunting knives, electric tape, waterproof match boxes, matches, candles, flashlights, moyles (for sampling), notebooks and diaries, ruled paper for drawing plans, rope, packsacks, dunnage bags, tump line, nails, towels, toilet articles, screw drivers, wrenches, spark plugs, sewing bits, sealing wax, canvas sample bags, caulking material, twine, maps, reports, books, outboard motors, shaving outfits, soaps, mirrors, combs, brushes, cards, extra leather laces, tooth paste, hob nails, clothing, flannel, canvas, extra socks, boots, running shoes, medical kits, acids, explosives, 50 cop. Trib. and F. Press (var. dates), canoe yokes, oil, gasoline, tobaccos, tobacco cases, cigarettes, etc., flour, lard, bacon, sugar, butter, beans, tomatoes, jam, mustard, pepper, salt, bread, eggs, powdered eggs, baking soda, tea, coffee, yeast, macaroni, rolled oats, onions, raisins, currants, apples (dried) peaches, prunes, apricots, cheese, peas, corn meal, rice, crisco, table syrup, canned milk, potatoes, chocolate, prospectors' anvils and forges, 18-¾ star drills, striking hammers, ball pein hammers, prospectors' picks, dynamite, explosive caps and fuse, telescopic cooking outfits, pails, grub hoes and picks (combined), copper nails, heavy mining trousers, ordinary trousers, heavy shirts, sweaters, underwear, eiderdowns, junket tablets, biscuits, coal, dubbin, paint, chewing gum, kodaks, films, lighters, ink, pencils, can openers, thermos bottles, whizz, sandpaper.

On the strength of the current high price for gold investors have witnessed their securities advance to new high levels and have also experienced higher dividends to compensate for less fortunate investments in fields other than gold mining.

In Canada alone, among the major producing nations of the world, the production of gold and the stimulus given to prospecting has been unhampered by any irritating taxation that would dampen the widespread search and development programmes now under way.

Search is Stimulated

In United States, by way of contrast with Canada, the gold mining industry has been experiencing a slump in production as it had no such stimulus and only in recent weeks has a more sympathetic attitude been adopted that permits United States gold producers to obtain for their production a world price in the free London market. Thus, in effect, Canada has had two years advantage over the United States, due to obtaining for its production the world market price well above the standard price of $20.67. Within a two-year period the value of Canada's gold output has increased about 63 per cent in Canadian funds, while that of the United States has decreased. This in itself tells in a most forcible way the advantage accruing to gold mining when it is not handicapped by taxation. The widely diversified list of supplies given above is testimony to the general industrial benefit accruing to Canada's unfettered gold policy.

At the Mines

B. C. Cariboo Gold Fields—Toronto interests including A. E. Osler & Co., Jenks, Gwynne & Co. and G. Gordon Plaxton, together with the Newmont Mining Co., have undertaken to finance the company's programme, according to an announcement by C. T. Riel, manager of the company.

* * *

Bralorne Mines—A major strike of exceedingly rich gold ore was made on Bralorne eighth level on Sept. 7. The drift off the eighth level crosscut which had been following an unidentified vein toward the shaft vein position encountered a rich section from which specimens show massive free gold in nuggets and nodules. The drift has now been carried about 45 feet along and is still in the rich ore. This is one of the most important discoveries thus far made in a mine. The vein is practically as wide as the tunnel with the rich gold ore, where first encountered, having a width of 14 to 18 inches.

* * *

Fish Lake Gold Mines—Sale of the South Tiblemont Mining Synd. property in Tiblemont township, Quebec, to the company is announced. Terms call for 80 per cent of the shares to be pooled for 18 months, the remainder up to six months. The new company is capitalized at 3,000,000 shares of no par value.

* * *

East Geduld Mines—August production was 25,652 fine oz. of gold from 76,000 tons of ore treated. The gross revenue was £160,188 with a net profit of £90,171 as compared with £85,868 in July.

* * *

Grull Wihksne—Col. H. H. Yuill, M.E., has been appointed consulting geologist and development work under the immediate supervision of E. J. Conway, M.E., is proceeding at a rapid pace. Exploration work has resulted in uncovering four new veins in addition to the known ore bodies in the workings. A camp has been erected and a power plant installed.

* * *

Lake Shore Mines—The annual report of the company which usually appears about this season of the year, will be deferred to late October or November, according to official advice. Harry Oakes, president of the company is expected home from abroad in October and pending his arrival no report will be issued.

* * *

Mackenzie Red Lake—The shaft is reported down 150 ft. on its way to the 500 ft. level. A station will be cut at 250 ft. Considerable diamond drilling has indicated good conditions at shallow depths. The vein has been picked up 700 ft. north of the last diamond drill hole and the width here is said to be 5 ft.

* * *

Meridian Mining Co. — Operations are being carried on under A. G. Langley, consulting engineer, with a view to determining the scale upon which milling operations will be possible. Encouraging results, according to recent reports are being had from the property.

* * *

Model Oil Co.—The company's No. two well, formerly known as Anaconda No. one, and one of the deepest wells drilled into the limestone formation, has been subjected to the second largest shot of nitro-glycerine ever placed in the Turner Valley. Some 810 quarts were exploded to be followed by a treatment of 1,500 gallons of hydrochloride acid in an effort to open up the producing horizon with a larger gas flow. This is the first well in the Turner Valley to be treated in this manner.

* * *

Moss Gold Mines—Old shares have been taken from the listed section of the Montreal Curb Market, and replaced with the new shares. The old stock is not good delivery through the Exchange clearing house.

* * *

Royalite Oil Co.—The company's new absorption plant is being increased to handle 100,000,000 cubic ft. of gas daily. The new addition is estimated to cost $50,000 and will further increase the production from Turner Valley through a higher recovery of the crude naphtha after passing through the usual separators.

* * *

Thompson Cadillac Mines — Dewatering the underground workings is under way preparatory to resuming operations recently financed by the Canadian Enterprises Ltd.

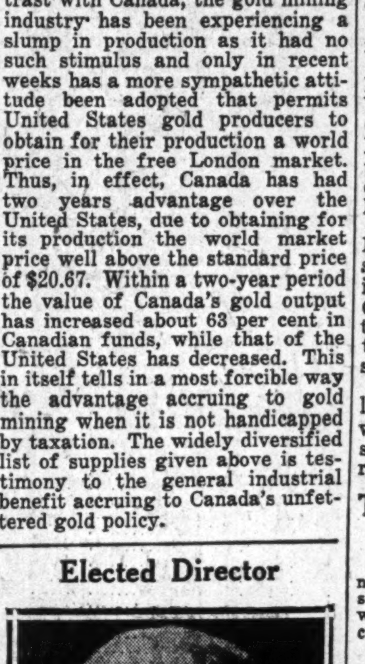
* * *

Toburn Gold Mines—September 21 has been set as the directors meeting date for a decision on transfer agents to distribute the company's shares held by Bunker Hill Extension Mines. Bunker Hill holds some 350,000 shares, which are to be distributed to its shareholders on the basis of one Toburn to ten Bunker Hill.

* * *

Towagmac Exploration Co.—Shareholders at a meeting in Montreal on September 18 approved of the increase in the capitalization from $1,250,000 in $1 par value shares to $2,000,000 and the sale of 600,000 shares at prices ranging from 40 cents to 90 cents each to finance the resumption of operations at Aldermac Mines, the company's subsidiary.

Elected Director



S. S. GRIFFITHS

Who has been recently elected a director of McColl-Frontenac Oil Co. Ltd. Mr. Griffiths is vice-president in charge of the central division at Toronto.

KENTY'S NEW WORK IS UP TO SCHEDULE; PILOT MILL LIKELY

English Company Exercises Option on 30,000 Shares

Developments at the Kenty property are proceeding according to schedule with no adverse setbacks, The Financial Post is authoritatively informed. A new vein has just been cut a short distance north of the No. 2 shaft and drifting is proceeding on four faces.

Jointly with Hollinger Consolidated Gold Mines negotiations are proceeding with the Ontario Hydro-Electric Commission for the extension of the Abitibi Canyon power line to both of these companies' properties.

While no announcements have been made it is known that Kenty officials are giving consideration to the construction of a pilot plant to bulk-sample the ore from development work. Officials believe that by bulk-sampling a more accurate picture of the grade of ore can be obtained. It is thought likely that a pilot plant will be taken in this fall for erection during the winter.

Following a recent visit to the Kenty Gold Mines, Lt. Col. H. H. Yuill, engineering representative in Canada for the Central Mining & Investment Corp., the latter company has exercised its option to purchase 30,000 shares held by Kirkland Lake Gold Mining Co.

This spring Central Mining & Investment Corp. purchased 10,000 shares of Kenty Gold Mines belonging to Kirkland Lake Gold Mining Co. at around $1 each, at which time an option was taken until September 15 on a block of 30,000 shares.

Incidentally, the sale of these leaves Kirkland Lake Gold Mining with some 160,000 Kenty Gold Mine shares, the cost of which has been reduced to approximately $8,000.

Turner Valley Output 68,339 Bbls. in August

Delivery of crude oil and crude naphtha from the Turner Valley fields showed a further advance in August with an output of 68,339 barrels as compared with 63,000 barels in July.

The larger deliveries are reported as due to the operation of the Royalite Oil Company's new absorption plant, which greatly increases the crude naphtha extracted from the tail gas after the usual separators have done their work.

The following tabulation gives comparative figures for the past two months as delivered to the various refineries:

	July	August
Imperial Refinery		
Crude naphtha	17,098	14,533
Discolored crude naphtha	34,403	42,596
Crude oil	4,163	4,965
Imperial total	55,664	62,094
Bell Refinery	July	August
Miracle, Hylo, Spooner	6,300	4,862
Regal Refinery	July	August
Alberta Federated, Okalta & Homestead	1,036	1,383
Totals		
May	64,201 barrels	
June	67,072 barrels	
July	63,000 barrels	
August	68,339 barrels	

Index to Mining Stocks

The weighted index number of twenty mining stocks computed by the Dominion Bureau of Statistics on the base 1926=100, was 110.8 for the week ending September 14, as compared with 111.7 for the previous week.

Eleven gold stocks fell from 105.5 to 104.7, four gold-copper stocks from 147.9 to 145.2, and five silver and miscellaneous stocks rose from 39.2 to 42.1.

Ships First Base Metal Concentrate

Base Metals Mining Corp. has made the first shipment of concentrates from its recently reopened property at Field, B.C. The initial shipment comprises some 2,000 tons consigned to European smelters, via Pacific coast boats passing through the Panama Canal.

Present capacity of the mill is about 260 tons, but this will be gradually stepped up to 300 tons daily. Although the price of lead and zinc remains low it offers sufficient attraction to warrant operations being resumed and indications are that costs will be substantially lower than when low metal prices forced initial operations to be suspended in October, 1930.

New contracts have been made for marketing through the British Metals Corp. and low transportation costs have been obtained to the Pacific Coast.

While it is too early accurately to appraise what costs will prevail at the property, it is significant that operations have been resumed at current base metal prices, and this augurs well for the earnings outlook of the company, given a return of improved industrial demand and higher prices for base metals.

British Dominion Drilling

The announcement last week that British Dominion Oil & Development Co. had entered into a contract to drill legal subdivision 6, section 8, township 12, range 2, should read legal subdivision 6, section 28, township 18, range 2, west of the 5th meridian.

NOTICE TO THE SHAREHOLDERS of the
Stadacona Rouyn Mines Limited

Shareholders who have not yet received the Progress Report are requested to apply for same to the undersigned office.

Application to list the New Stock of STADACONA has been made and, when granted, trading in the old stock will be discontinued.

Shareholders are requested to forward their old Certificates to the Company for exchange.

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